



Daily Report

Soviet Union

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Churkin Comments on Economy, Yugoslavia

Integration Into World Economy

LD2907160291 Moscow TASS in English 1505 GMT
29 Jul 91

[By Konstantin Voytsekhovitch and Mikhail Ivanov]

[Text] Moscow July 29 TASS—The Soviet Union intends to ensure a "smooth but determined" integration of the Soviet economy into world economic structures, Soviet Foreign Ministry Spokesman Vitaliy Churkin told a briefing here today.

He commented on official information distributed lately by the International Monetary Fund and the World Bank about receiving the Soviet Union's applications signed by Soviet President Mikhail Gorbachev to join these organisations.

He said the USSR's activities were based on the consensus reached on the eve of the G-7 meeting in London as regards granting the Soviet Union special status of an associated member of the International Monetary Fund and the World Bank.

The Soviet Union is guided by the Bretton Woods accords, which establish a uniform procedure for entering the International Monetary Fund and the World Bank by making corresponding applications. The Soviet Union recognises and is ready to take guidance from the generally accepted rules of the negotiating process with the IMF and World Bank administration, as well as with their main stockholders, Churkin said.

He stressed that the status of an associated member is a means to integrate the Soviet Union into the world monetary fund and the World Bank before completing the negotiating process, which, "taking into account the scale of our economy and its problems, could continue unjustifiably long without an active interaction of the sides".

Churkin expressed the USSR's satisfaction with the IMF and World Bank leadership's readiness to boost cooperation with the Soviet Union. He also said that a representative IMF delegation has arrived in Moscow to discuss a date and a programme of talks with the world monetary fund.

Continuing Efforts in Yugoslavia

LD2907160891 Moscow TASS in English 1548 GMT
29 Jul 91

[By Konstantin Voytsekhovitch and Ivan Ivanov]

[Text] Moscow July 29 TASS—The common stand of all member-states of the Conference on Security and Cooperation in Europe, which was expressed in the Berlin Declaration of the Council of Ministers of the Conference, should be preserved in "all elements, including the support for unity, territorial integrity and democracy in

Yugoslavia under conditions of a peaceful dialogue," runs a message by Yuriy Deryabin, the Soviet representative to the conference Senior Officials Committee, to the committee chairman.

Soviet Foreign Ministry Spokesman Vitaliy Churkin told the briefing here today that the message pointed out the insufficiency of the incoming information on activities of the European Communities' observer mission.

Under these conditions, the Senior Officials Committee is practically denied the opportunity to perform its functions as a body, observing and controlling the actions of the "mission in Yugoslavia".

"In order to contribute to the political dialogue between the interested sides, the committee has suggested sending a good offices mission of the conference to Yugoslavia on the latter's invitation.

"However, these functions were taken upon themselves by representatives of the European Community's "troika". Although they have performed a certain positive job, they are not the mission of the conference, as far as the recommendation of the senior officers committee is concerned," the message noted.

"The situation in Yugoslavia is growing tense, despite recommendations and measures taken by member-states of the European Community.

"Agreements with the interested sides, including the ones concerning the termination of actions by Territorial Defence units and their return to their permanent stationing sites, are not being fulfilled," the message said.

Churkin told the briefing that president of the Yugoslavian Federal Executive Council Ante Markovic will come to the Soviet Union on a working visit on August 1-2 at the invitation of the Soviet Cabinet of Ministers.

'International Observers' on U.S., Economy

LD2807201191 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1230 GMT 28 Jul 91

["International Observers at the Roundtable" program with All-Union Radio foreign political commentators Viktor Nikolayevich Levin, Yevgeniy Germanovich Osipovskiy, and Vladimir Georgiyevich Pasko]

[Text] [Pasko] Hello, comrades. The importance of last week's events notwithstanding, I would propose to begin the discussion with an upcoming event. I am thinking of the Soviet-U.S. summit meeting. If we look at history, we can easily see that starting with the establishment of the anti-Nazi coalition, the state of Soviet-U.S. relations has left an impression on the entire course of world development. We can also see this today. The two countries' disagreements or agreements on this or that issue in practice affect every direction of world politics—be it arms control, settlement of regional conflicts, or development of economic cooperation.

All this gives rise to the question: How can we describe the present state of Soviet-U.S. relations? It seems to me that this question is interesting for several reasons, and the main one is probably the fact that it lies at the basis of arguments which arise in our society. The polarization of opinions here is clearly visible. While some unreservedly welcome the Soviet-U.S. rapprochement, and insist on carrying on in this direction without looking back, others appraise what is happening as a yielding of positions, damaging to national interests, almost treason. The truth in such cases, as they say, lies somewhere in the middle. But where is this middle? What is the state of Soviet-U.S. relations if we speak about them on the basis not of emotions, but of facts? That is what I would like to begin with.

[Levin] I think that we for ourselves have to assimilate very clearly, considering the polarity of opinions you have just spoken of, that the normal—I emphasize normal—development of Soviet-U.S. relations first and foremost is in the interests of the Soviet Union. Those who like to speak about the yielding of positions, about us losing the superpower status, forget simple things. Let us take something that already happened—the treaty on elimination of medium and shorter range missiles. What has it given the Soviet Union? First, we have removed the threat of analogous types of weapons from the side of the United States of America. That threat was real. We all understood perfectly that the cruise missiles and Pershing-2 missiles had five to seven minutes' flight time. In essence, we were living with a missile held to the side of our state's head. Now this threat has been removed, it is there no more. Isn't that in our interests?

When we now speak about George Bush's coming visit to the Soviet Union, here we first of all note that during this visit, even the time and the date have already been scheduled—Wednesday, if I remember rightly, at 1200, and the place, the Vladimir Hall of the Grand Kremlin Palace, where a treaty on reducing strategic offensive weapons will be signed by the presidents of the USSR and the U.S.

[Pasko] You know, it seems to me that the question which I raised right now also worries the Americans. At a news conference in London, President Bush was asked: Can the Soviet Union be called an ally of the United States, or does it still remain an opponent? Indeed, the sides have declared that there can be no war between them, either nuclear or conventional. This, as you recall, was followed by the announcement of the end of the cold war. The sides solemnly declared that they were extending toward each other hands of friendship and cooperation. But at the same time military rivalry goes on. The President's answer was interesting: As long as we have deployed missiles, we have to be realists. I am thinking, amplified Bush, of missiles deployed against each other. You do not get such position between allies. We are moving ahead. We have established friendly relations. We have problems, but we have gone so far ahead that right now I would call the relations friendly. A little further on: I would describe our relations as very

friendly. I am convinced that all obstacles which hamper our friendship, such as, for instance, the problem of arms control or our misgivings about each other, will get smaller. I would describe our relations as good. Nevertheless a number of problems still remain.

It is not hard to see how the President tries to find the necessary word in order to express his idea as precisely as possible. These words were friendly, very friendly, and good. But the President ruled out the existence of relations characteristic of allies, and it seems to me in a very well-argued way—the presence of missiles directed at each other.

The President also rejected the existence of relations characteristic of opponents, although not in the same categorical form. The evil empire syndrome, he said, came to an end, I think, when the cold war ended, and I suppose, he went on, that it has ended. Now quite different times are about.

The Americans, at least the U.S. leadership, appraise the state of affairs very realistically. I think, says Bush, that certain elements there—this refers to the Soviet Union—still continue to view U.S. intentions with great suspicion toward their country. Whereas in the United States there probably exist great suspicions with respect to the Soviet Union's intentions toward us. But I suppose, says the President, that we can move ahead as this is dictated by practical economic considerations.

The Americans have always been pragmatists. I think we, too, should approach the appraisal of the state of affairs, including with the United States, from such pragmatic positions. This helps to determine more clearly the true, real state of affairs, and to avoid unnecessary arguments arising from appraisals built on emotions.

The coming summit, I think, will bring even greater clarity to this issue. It is noteworthy that this is, in essence, what both speeches which the President intends to deliver during the visit are devoted to. It has been announced, for instance, that the speech in Moscow will be devoted to U.S.-Soviet relations, while in Kiev—to U.S. policy toward the Soviet Union. Essentially it is about the same thing, but presumably from different angles.

[Levin] The angle visible here is very clear, especially if you take into consideration that in Moscow, Bush is planning to meet Boris Yeltsin, president of the Russian Federation, while in Kiev he will not only speak at a sitting of Ukraine's Supreme Soviet, but will also meet Ukrainian leaders, first and foremost Chairman of the Supreme Soviet Kravchuk—so there are, of course, grounds here for, I would say, some serious thinking.

We should say that the Americans clearly emphasize that they see Gorbachev as the main and only representative of the Union. But they have nothing against developing relations also with republics within the Union. But I would like to recall again the fact they first of all want the

preservation of the Union, because unfortunately for some reason in our country groundless doubts are also being expressed about this opinion, while the Americans make enormous efforts in every direction to prevent disintegration of the Union—for pragmatic reasons, by the way. They fear the spread of nuclear weapons between the republics in the event of a conflict.

[Pasko] That's one of the things.

[Levin] That's probably the most important thing. If different republics have nuclear weapons, and these republics are in a state of being, to put it mildly, far from friendly with each other, and there begins—well, I do not even want to say this out loud—what could begin from the U.S. point of view, and regretfully we, too, do not rule out such a possibility—it will be a completely uncontrolled process. The Americans want stability; the Americans want peace in our country, and they wish us this sincerely, proceeding from their own interests, it is also, however, in our own interest.

[Pasko] Well, we, too, want stability, without a doubt.

[Levin] Of course.

[Pasko] You know, I would also like to draw attention to the following. Several days ago, on the eve of the visit, a representative of the National Security Council organized a meeting with journalists. Well, essentially, it was a briefing, drawing attention to the key features of the coming visit. At this meeting I think he expressed the main provisions for what is going to be discussed at the coming talks, including the position of the United States I think—the representative said—that we are entering a new era, when decisiveness in the fields of economics and politics will play a more important role than before. Under conditions in which relations between the United States and the Soviet Union were based on rivalry, he went on, more attention was paid to arms control. Now, in the future, emphasized the administration representative, we are going to debate a wider circle of issues. At the same time we have to think of the future of our relations in the field of security.

These words, as I say, to a large extent unveil the direction of the talks that are going to be held in Moscow. These will be exceptionally important talks. This quote allows us to say that the United States intends to move further away from the state of rivalry with the Soviet Union. But, you may have noted, the word cooperation was absent in what was said. In principle, the transfer from rivalry to cooperation, as I understand it, is already under way. But it is important to consolidate this transfer and place it on a firmer basis. The meeting will show whether this will take place. I think conditions for it have been created.

[Levin] Here, it seems to me, what could become the basis, a very reliable basis, which could create the framework of our future relations, is economic relations.

[Osipovskiy] Indeed, here I would like to dwell in a little more detail, and I would first of all like to single out issues of economic cooperation, because they are of special interest after the negotiations which took place in London between the Soviet president and the leaders of the seven most developed Western countries. In his proposals to the West, Gorbachev gave unequivocal assurances that our country will go ahead along the road of implementing broad market reforms, unfettering people's personal initiative, and so on. As we all know, these were the general provisions, so to speak, determining the conditions for the Soviet Union's entry to the common world economic structures. This without doubt was one of the main results of the London meetings which made it possible to work out the six-point plan of the seven for assisting our country.

Another important problem was the issue on agreeing upon mutual relations between our republics and the center, and here, I think, there is evidence of clear progress—because, as we all know, the difficult process was crowned in Novo-Ogarevo with the completion of the preparation of the draft Union treaty.

In experts' opinions, much time will be needed for the implementation of the necessary changes. A leap from one model to another will not work and that is why it is proposed to bring our country into the world economy step by step, as conditions for this take shape in our country. This may be the reason for the dissatisfaction of those in our country, in the Union, who were expecting immediate results from the London meetings, in the form of financial subsidies—that is, direct financial aid.

[Levin] I should say that this sense of impatience is very characteristic of us. The Western experts are proceeding from realistic premises when they determine such long periods for transfer to at least a mixed economy. They have experience in this respect, they have sober calculations, while we are still—I even catch myself doing this—living in a world of illusions. It seems that it is sufficient to find some single solution, some formula, and it will miraculously in an hour change our entire country, it will change the economic arrangements, it will change our living conditions. But it does not happen like that. We have very intensive, very serious, very difficult work ahead of us, and there will be no quick positive results. But unless we enter this road there will never be positive results. This, I think, we have to understand very clearly.

[Osipovskiy] That is indeed so. It is precisely here that the London meeting laid down these six points under which aid and assistance for our country will proceed in this field. First, this concerns cooperation with international finance organizations. As you know, our country has been given the status of an associate member of the International Monetary Fund and the World Bank. This status was invented especially for us. At present, by the way, 152 states are members of the Fund, including Hungary, Poland, Romania, Yugoslavia, China, even Vietnam. Bulgaria, Czechoslovakia, and Mongolia have

officially announced their intention to join the Fund. I will emphasize that our country after all took part in the setting up of the Fund, in 1944, but it did not ratify the appropriate agreements, mainly for ideological reasons which preserved a closed society in our country.

Now we have applied for full membership in the organization. What is this? An attempt to jump several steps, or simply the fulfillment of a formality, considering that the legal status of an associate member has not been defined so far? We cannot say with any certainty. At least we know that the United States at once confirmed its negative attitude to giving our country the status of a full member of the International Monetary Fund. All in all, from my point of view, this is not discrimination, but logic in the United States' position in appraising the state of our economy. It is associate membership of the World Bank and the International Monetary Fund that corresponds in their view to the present stage of integration of the Soviet economy in the world economic system. Thus we get just technical assistance, rather than some direct hard currency resources. Before these organizations start to act, they are waiting for a request from the Soviet Government for assistance in specific fields.

Here is, by the way, how the NEW YORK TIMES newspaper describes this: If all these organizations vigorously get involved in providing assistance for the Soviet Union, there will possibly be in that country—meaning ours—at any one time hundreds of Western experts who will be involved in various activities—in part providing consultations for companies in Siberia, metallurgical works in the Urals, commercial banks in the Ukraine, and government ministries in Moscow. The cost of all these consultations amounts to hundreds of millions of dollars. The leaders of the countries of the Big Seven, noted the paper, are hoping that these experts will show the Soviets how to transform their economy along the Western model.

[Pasko] Well, you know, Yevgeniy Germanovich, I would like to note the following in connection with this. They are going to be proposing their models to us. We have more than enough of our own models, and there are enough arguments even about these. Ultimately, we will have to decide how to organize our affairs, while others will adapt to us and look for points of contact.

[Osipovskiy] Help us in this difficult process.

[Pasko] That's right. But you know, by the way, as far as aid is concerned, Attali—that's the president of the new European Bank for Reconstruction and Development—he altogether considers that the word aid should not be applicable to the Soviet Union. It should be a question, he says, of cooperation. I completely agree with this, and not only in this specific instance but also in previous ones. We somehow treat aid in a very straightforward way.

[Levin] We are assigning ourselves a passive role.

[Pasko] Absolutely. There is no passive role here; there is cooperation here.

[Levin] If there were, it would be terrible.

[Pasko] There will be some arguments here, because the sides are going to defend their own interests, just as it's always been, everywhere. We are going to search for points of contact. The instance you have just mentioned, that the Americans have now reacted so, and the Bank made a statement in response to our application for direct membership of the International Monetary Fund—they presumably have their positions, they present them, they consider that we are running ahead of events—but presumably our leadership, too, has its ideas on this account. So presumably all this is going to be discussed at the summit meeting, and I would not rush here to take up a position of immediate support for or agreement with the reaction shown by the Americans.

There is also an interesting feature here in the following respect. A great many of them raise a very interesting question which is topical for us. They ask: Who are we to deal with in the Soviet Union? They immediately indicate that it is necessary to sign a Union treaty.

Incidentally, the statement by Japan's finance minister was very interesting, he refused to go to the Soviet Union precisely because he lacked clarity—although the decision was unanimously taken at the meeting in London that ministers of finance would set off for the Soviet Union to establish contacts with our financial organizations and start solving issues of cooperation. He said straight out: Who are we to deal with? Should we deal with the center? Should we deal with the republics? If it's with both, what powers will the center have, and what powers will the republics have? Indeed, in this respect we are probably not clear on this ourselves. That is why the West is paying so much attention to what is happening in our country in Novo-Ogarevo. The reaction, by the way, was very positive.

[Levin] Well, I think that if speaking specifically about the position of the Japanese minister of finance, this is probably still influenced by the stubborn striving by the present Japanese Cabinet of Ministers not to depart from the formula of the inseparability of politics from economics. If one is to spell out this formula, it appears roughly as follows: Give us what we Japanese refer to as the northern territories, and then afterwards we will begin to calmly cooperate with you economically, and so forth and so on. The position of the Japanese is being made known, but the issues that it raises are indeed pressing ones. The Union treaty must give a precise and clear answer. Without this, we are ourselves unable to accomplish anything.

[Osipovskiy] I would also like to add that the Bush administration is intending to achieve a final accord on a new U.S.-Soviet trade treaty, including the granting of most-favored-nation trading status to the Soviet Union.

[Levin] If they were to remove the Cocom [Coordinating Committee for Multilateral Export Controls] bans, things would proceed even faster.

[Osipovskiy] That is true, but there are certain procedures, including a debate in the Senate and so on, which have prevented this. This status will be granted. Well, what does it signify? In accordance with this status, tariffs on Soviet exports to the United States will be considerably reduced from an average level of 34 percent to a new level of 6.7 percent.

[Levin] If only there were anything left to export.

[Osipovskiy] Indeed, it is being emphasized in this respect that the Soviet Union has little that it could export. Therefore the main effect of this step will most likely be only political in character, but this, in principle, is also quite a lot.

[Pasko] Yes, it is of course quite a lot. You just mentioned that there is resistance even now, when Bush is setting out to visit our country—resistance on the part of a certain section of U.S. legislators and politicians to the lifting of trade barriers, and also to resolving other issues. Now, incidentally, when we speak of the treaty on strategic offensive armaments, it is very interesting to see how certain legislators are already issuing warnings to the administration that, if the treaty does not include this and that and so on, they will debate it very carefully in Congress.

[Osipovskiy, interrupting] Well, it has to be ratified.

[Pasko] Yes, ratified, and so on. So there is some resistance—and incidentally, not only in the United States. Well, as you know, the French president has stated that France is giving up the modernization of its strategic missiles, and it is interesting to see what an outburst of emotions this decision produced in the country. But it is true after all that it is being attacked not by all sides, but by just one side. In essence, the attacks are coming from the right-wingers—former leaders of the war department, and a number of politicians linked with this department.

[Osipovskiy] It is a familiar situation.

[Pasko] It is indeed an altogether familiar situation. After all, we can recall from our own radio mailbag what the reaction of our people was to the signing of the treaty on medium and shorter range missiles. I do not rule out the possibility of there being a similar reaction now, because the issues of reducing armaments are linked with security issues, and these issues are of great concern and interest to everyone. In this regard everyone is beginning to add up how much we are reducing, what we are reducing, and so forth.

[Levin] In this connection I want to remind our listeners of the statement by Army General Moiseyev, chief of the general staff. This treaty, he stated, accords completely with the interests of our national security—and that is an authoritative view.

[Pasko] Viktor Nikolayevich, I would like here to note particularly the following point—namely, that the reduction of each warhead and each launcher aimed at us means a strengthening of our security. Probably no one knows this better than the military.

[Levin] The reduction of our warheads strengthens the security of the Americans and in this respect, both sides gain.

[Pasko] But in this case...

[Levin, interrupting] Charity begins at home.

[Pasko] Yes, quite right, but I would like to draw attention to this—to the place that this treaty occupies in the developing system of our relations with the United States and other NATO countries. After all, I have already said that we—that is, the United States and ourselves—have made political statements to the effect that neither nuclear war or conventional war are possible between us. However, political statements are one thing, and it is another thing when there is a state of affairs where the sides continue to possess a mass of weapons, and these weapons are directed at each other. But look at how events have been developing. The treaty on strategic offensive arms means a transition to a position that would materially guarantee the impossibility of nuclear war between the Soviet Union and the United States. The treaty on conventional armed forces in Europe is in effect the start of a transition to a position which rules out the possibility of the outbreak of conventional war—that is, an organization of armed forces that would exclude the possibility of a surprise attack, the waging of large-scale offensive actions, and so on. This is to say that the two treaties supplement each other.

However, matters are proceeding further. As you know, discussions in Vienna are now about reductions in armed forces personnel. This is a further link in the chain. Diplomats do not rule out the possibility that after the Helsinki summit meeting, which is scheduled for next year, it will be a question of an even more radical restructuring of armed forces—and moreover by all the participants of the Europe-wide process. There is also the combination of the new security system with new Europe-wide institutions, the embryo of which already exists—I have in mind the Center for the Prevention of Conflicts. The creation is under way for a system of rapid notification for the purpose of the prompt prevention of conflicts.

Yugoslavia, incidentally, has shown that Europe is not insured against conflicts. Dangerous situations may arise even for reasons not depending on politicians. That is, I want to say that the treaty on strategic offensive armaments, with the reductions that it will bring about, the inspections that are intended to eliminate distrust, and its body to resolve possible disputes—and the treaty on conventional forces has already shown that disputes may arise—supplements this system. This seems to me very

important indeed. The treaty on strategic offensive arms is an important link in the new security system that is now taking shape.

[Levin] It is a step that opens the way to new negotiations and new reductions, and we hope that the world will nonetheless achieve its cherished dream and eliminate all nuclear weapons.

[Pasko] Well, it turns out that in our talk we have dwelt in effect on just one event, but this event is, of course, very important indeed. Well, let us await the specific results of the coming meeting. Here, comrades, may I be permitted to take my leave of you, and to wish you all the best until we meet again.

USSR Should Seek UN Development Aid

PM2907152591 Moscow IZVESTIYA in Russian
17 Jul 91 Union Edition p 6

[By A. Shalnev: "How Are We Better Than the Countries Which Receive Help From the UN Development Program?"]

[Text] New York—How are we better than China? Or Brazil? Or Czechoslovakia? Or Korea?

I am not talking about national character traits but about the state of our economy—and theirs.

If we are no better than them, why do we not do what they do? Why do we not become a recipient of technical assistance provided through the UN Development Program (UNDP)?

One of the conditions of acquiring recipient status is that the GNP of the country concerned must be below \$6,000 per capita per year. The infant mortality rate, average life expectancy, standard of education and public health care, and GNP and inflation growth rates are also taken into consideration. An extremely important criterion taken into account is whether the country concerned is undergoing economic transformation.

In the "Human Development Index" prepared by the UNDP, which is based on approximately the same criteria and factors, we come 31st in a list of 160 countries—based on last year's figures. Japan is obviously at the top of the list. But one of the countries in front of us—apart from the United States, Canada, Malta, and the Bahamas—is Czechoslovakia.

So, I repeat: Why do we not follow Czechoslovakia's example—and China's, Bulgaria's, Poland's, and Romania's—and ask to become a recipient of technical assistance at the next session of the UNDP Governing Council?

What will this give us? Initially not very much in monetary terms. A maximum of several million dollars per year. But, first, this assistance will be targeted to where it is most needed: One of the UNDP's "biggest hits" is its consultation service during the organization of small and medium enterprises and its preparation of expert assessments and calculations for interregional and intersectoral projects. I am quite convinced that the value of these services for us will be much greater than their cost.

Second, securing technical assistance for the Soviet Union from the UNDP—assistance which does not take the form of capital investment or money to buy goods in short supply but which comes in the shape of experience and knowledge that we ourselves either lack completely or do not have enough—could prove to be a "golden key": It will open up far greater channels of assistance worth hundreds of millions of dollars.

Let me explain: There are countries and international organizations that would like to become donors of technical assistance for us. But these countries and organizations have doubts about how efficiently we would use this assistance if it were given to us. They are put off by the confusion between our various departments and regions and so forth and by our contradictory, uncoordinated requests. These countries and organizations see the UNDP—which has been in existence for more than 25 years—as an instrument of coordination whereby order is created from confusion and the efficiency of assistance is greatly enhanced.

What will happen if we do not agree to these conditions? Surely potential donors will not go back on their word and refuse to put their good intentions into practice? Probably not, according to one very serious UN expert I spoke with, but, he said, it cannot be ruled out that the process of translating promises into real action could then take a very long time: Donors will not be in any hurry and time will work against the Soviet Union.

As far as I understand, the idea of our acquiring recipient-country status has not met with any great enthusiasm in our foreign policy and foreign economic departments, until very recently. If you look closely, you find that the main reason for this is pride.

The most striking point of all is that we have been going cap in hand and making half-whispered or muttered requests for loans, credit, and so forth. With regard to the question of giving the Soviet Union the "status of an underdeveloped country," according to my information, Moscow was recently sent quite clear explanations which should dispel any suspicions and fears on this score: No, Moscow was told, acquiring recipient status does not automatically mean that you become a developing country.

Judging by the talks and consultations which our delegates held behind the scenes at the recent New York

session of the UNDP Governing Council, the ice has finally begun to break, progress has been made, and there are signs that we have begun to change our attitude to the UNDP and to the idea of using this program to satisfy our own needs and interests.

Let me remind you that the UNDP, which implements its programs in 150 countries, does not provide financial aid or aid in the form of investment. Of course, it certainly would not be bad to receive some ready cash from the UNDP and associated donor organizations that we could use to buy scarce goods and urgently patch up some holes. But, as Svyatoslav Demin, a Soviet who has become an international official and regional curator of the UNDP, said, "technical assistance excites the mind and makes it work; its aim is not to patch up holes, which could soon appear again, but to find solutions to prevent those very same problems from arising in the future."

I am in full agreement with him on this: By purchasing grain from the United States, we are certainly not insuring ourselves against the need to buy increasingly large consignments of grain in future years. But if we turned to the services of highly qualified specialists capable of efficiently analyzing our agricultural problems, drawing conclusions, making recommendations, and defining the direction, order, and pace necessary for the restructuring of our agriculture, we would be thinking about the future as well as the present—and rightly so.

Agriculture is, of course, not the only sector in which UNDP projects—which have demonstrated their competence and efficiency in many other countries—could be extremely useful to us.

The UNDP as a whole would be useful to us economically and financially. It seems to me that we have not yet fully appreciated this, for various reasons, including purely ideological ones, when it comes to the comparatively recent past. Otherwise we would obviously have behaved differently.

Even the most rudimentary calculations show that subsidies for UNDP projects—completely voluntary subsidies, incidentally—are repaid with interest. The mechanics are simple: Requests to implement technical assistance projects are primarily conveyed to companies in the main donor-countries, i.e. U.S., West European, and Japanese companies.

The project is completed, but matters do not end there. If a firm has supplied its services and equipment, and those services and equipment "make an impression" on the recipient-country, demand for that firm's products is only going to increase in the future. And then, of course, once you have supplied equipment, you will have to supply the spare parts for it and service it as well, so it is

no accident that Western firms are prepared to engage in some really fierce competition to get in on the latest UNDP project.

Not so long ago, we called all this a manifestation of neocolonialism, but it would be worth our while to get involved in it now—albeit belatedly. The UN specialists and diplomats with whom I have spoken are convinced that, first, we should stop offering grants in rubles [R]—these grants have now reached a grand total of R17 million, but no one wants them—and start offering grants in hard currency instead and, second, increase their amount. In order to soften the financial blow that this innovation would undoubtedly cause in a country experiencing a desperate shortage of hard currency, we could, they explained to me, arrange matters so that our hard currency contribution has a specific purpose, i.e. is used for orders placed in the USSR.

Of course, the choice of services and equipment that would be suitable for UNDP projects is not very great in our country—mainly because of the quality—but we do have something to offer nevertheless. Our geological exploration record is excellent, I am told, and our architects are not bad at all. Specialists in several other categories and professions are perfectly up to standard.

That is the first point. Second, I believe that if our companies, institutions, and enterprises were given a material incentive—hard currency in this case—the quality of their output, whether services or equipment, would probably be different.

But the most important thing for us is to get into the vast, infinite market created by numerous UNDP projects. The most important thing is to show our capability. Naturally, it would be senseless to try to make a rapid leap forward at this point in time. But we must at least try to make our presence felt and let people know we are there.

There is also another problem: UNDP registers a list of thousands of companies from all over the world and indicate what those companies can do, on what scale, how efficiently, and for approximately what price. When another project is ready, an official simply calls up a dozen or so suitable candidates on the computer and they tender for it.

When I asked whether our companies are on these registers, the answer, as I am sure you can guess, was no.

Not many people in our country have even heard of the UNDP, however. Even fewer would be able to tell you about specific projects. Hence the need to organize an intermediary information system that would provide a permanent, reliable line of communication—not free of charge, of course—between our companies, private or state, and the UNDP; keep our business people informed of all UNDP programs; and help them to get in on these

programs—in return for a percentage of the order's worth. This intermediary bureau could be a private-state association that would combine the experience of people who have worked in the UNDP system or in our own foreign economic relations system with the entrepreneurial drive and expertise of Soviet businessmen from the privatization era.

Most important of all: It is time to act. We have already wasted 25 years.

Status of Regional Conflicts Assessed

91UF1016A Moscow ROSSISKAYA GAZETA
in Russian 24 Jul 91 p 1

[By Aleksandr Golts under the rubric "Russia and the World": "Igniting Is Easy. But Extinguishing?"]

[Text] The peripeteias of the London meeting of the seven with the Soviet president overshadowed other events of the past week. Yet had these other events happened at a different time, they would surely have occupied the main place in international news. Is it a trifling matter that noticeable movements toward the unblocking of two regional conflicts which are already into their second decade were observed? I refer to the conflicts in Cambodia and the Near East.

Let us begin with the situation surrounding Cambodia. Representatives of the Phnom Penh government and opposition groups, meeting in Beijing, found a compromise solution which will enable them to unblock the activity of the Supreme National Council. Prince Sihanouk was confirmed as its chairman. It was declared here that he is the "sole statesman capable of achieving national reconciliation." It is significant that in a special document the prince renounced the position of leader of the Cambodian opposition and announced his intention to act as a conciliator. It would seem that the first steps have already been taken: a frank and concerned dialogue between Sihanouk and Hun Sen, chairman of the Republic of Cambodia Council of Ministers, has begun.

As far as Sihanouk himself is concerned, he is now the sole politician with whose name many Khmers link recollections of a more or less peaceful life. After all, it was under Sihanouk that Cambodia was an islet of peace in war-torn Southeast Asia. It was Sihanouk who was removed from power in 1970 by the rightwing military. There has been no peace since that time. The brutal bombardment by American aviation was replaced by the bloody Pol Pot nightmare. And then, almost 12 years of war. It was waged against the Phnom Penh government, which had come to power following the ouster of the Pol Pot regime, by three opposition groups simultaneously.

And then last week, under the leadership of Sihanouk, the Supreme National Council adopted a decision on the

dispatch of a common delegation incorporating representatives of all belligerents to participate in the next UN General Assembly session. In addition, they agreed to send a letter to the UN secretary general requesting examination of the question of UN observers monitoring the cease-fire and the suspension of arms supplies from overseas. All this is being assessed not only as an important step toward peace in Cambodia but toward an easing of tension throughout Southeast Asia.

There is also a pretty good chance for a Near East settlement, the urgent need for which now, following the war in the Gulf, is obvious to any person of common sense. In recent weeks the Lebanese Government, supported by Syria, has continued to establish control over the territory of the country, which only recently was a battlefield for various groups. Having terminated the confrontation in Beirut, the Lebanese Army has, as a result of short and bloody fighting, achieved the disarmament and withdrawal from the Sidon area of detachments of the Palestinian Fatah organization. The army has undertaken to guarantee that there will be no further attacks on Israel from Lebanese territory. Syria, for its part, has sent a message to U.S. President Bush which expresses agreement in principle with the plan for a regional conference on the Near East. Secretary of State J. Baker flew from London directly to the Near East, where he has begun negotiations with the leaders of Israel and the Arab states. The purpose is to prepare a conference.

It would be good if we could call a halt here, preserving the hope that a settlement in the Near East and Cambodia would continue to go without a hitch. But facts are unyielding. Reacting in its own way to the attempts of the Lebanese Army to stabilize the situation, the Hizbollah organization carried out a raid against the Israeli Army. The response was not long in coming: Israel subjected a number of localities to severe bombing and artillery shelling. There were persons killed and wounded. Simultaneously the Israeli leadership emphatically opposed the demand of the Arab states for a halt to the building of militarized settlements on the occupied territories.

There are many problems en route to peace in Cambodia also. The Red Khmers—the heirs to the Pol Pot regime—are resisting as best they can a political solution of the perennial problems.

Even recently we were linking, not without reason, the continuation of these two regional conflicts with the confrontation of the great powers. Washington considered Israel a "strategic ally" and literally fed it arms supplies worth billions. The same may be said about USSR policy in respect to Iraq. In confrontation with Hanoi, Beijing supported the Red Khmers.

But the situation has changed. The great powers are in fact exerting considerable effort to put an end to the

conflagration of regional conflicts. China, evidently, is attempting to put pressure on the Red Khmers in order that the latter adopt a more realistic position. Washington is trying to bring pressure to bear on Israel, and the Arab states, on the Palestinian leaders.

But these efforts are having no great effect as yet. This is understandable: For the great powers tossing logs onto the fire of regional conflicts, exchanging mutual accusations was far easier than extinguishing their flames through joint efforts. A hatred which has for decades gathered in a bloody harvest has its own logic. Whole generations have grown up in those regions for whom

war is the sole form of existence they know. They know from the cradle that the bullet is the main argument in any dispute.

I have met representatives of this generation in Nicaragua and Afghanistan. Young boys who know only one thing—to kill. They do not know pity and are unaware that there could be another kind of life. When peace comes, a break with their main stereotypes begins, and it is here that they easily become a tool in the hands of adventurers. How else to explain the fact that the Nicaraguan ex-Contras are today prepared with weapon in hand to oppose the government which replaced in power the hated Sandinistas.

This is a most serious lesson for the great powers.

United States & Canada

Reportage on Bush Arrival for Moscow Summit

Issues To Be Covered Noted

OW3007022591 Moscow INTERFAX in English
1500 GMT 29 Jul 91

["Diplomatic Panorama" report by diplomatic correspondents P. Vasiliev and M. Mayorov: "The Pens the Soviet and American Presidents Will Use When Signing the Treaty on Strategic Offensive Weapons Are Made of Metal Received as a Result of Scrapping Intermediate-Range Missiles";transmitted via KYODO]

[Text] The pens the Soviet and American Presidents will use when signing the treaty on strategic offensive weapons in Moscow on Wednesday are made of metal received as a result of scrapping Soviet and American intermediate-range missiles. This was announced today at a briefing given by the Soviet president's press secretary Vitaliy Ignatenko. Talks between M. Gorbachev and G. Bush are beginning in Moscow on Tuesday. They'll be the first Soviet-American summit after the end of the "cold war". It's the main and fundamental difference from the previous Soviet-American summits, said Vitaliy Ignatenko. The two leaders came to their present summit through their meeting on Malta in December of 1989, through their meeting in Helsinki in September of 1990 and through the Persian Gulf crisis.

We are reaching the level of interaction and partnership in our relationship indeed, V. Ignatenko said. Bilateral talks spread to increasingly new themes: from arms control to settlement of regional conflicts, economic cooperation and interaction designed to strengthen security throughout the world.

The treaty on strategic offensive weapons

During G. Bush's visit to Moscow a truly historical agreement on strategic offensive weapons will be signed. And though it might come under fire from both "right" and "left", it's the start of practical movement toward a safe world, said V. Ignatenko. According to him, during the summit M. Gorbachev and G. Bush might begin to discuss further cuts in the nuclear arsenals of the two countries. With reference to the Soviet Union's attitude to the treaty on strategic offensive weapons the Soviet President's press secretary said that the military have no objection to it. He dismissed the allegations that the U.S. insisted on the need for the USSR defense ministry to sign the document too.

What bilateral agreements will be signed

In Moscow several bilateral agreements will be signed. Designed to raise cooperation between the two countries to a qualitatively new level, they'll include an agreement on security in civil aviation, a memorandum on housing construction, an agreement on technical cooperation, an

agreement on medical supplies, an agreement on cooperation in preventing industrial accidents and natural disasters and in coping with their consequences.

Continuation of the "London process"

There are plans to continue the process begun in London with the meeting between G-7 and M. Gorbachev, first of all in regard to the COCOM [Coordinating Committee for Multilateral Export Controls] policy, the granting of the best-favored nation status to the USSR, interaction in the area of conversion and transfer of modern technology. According to V. Ignatenko, Moscow will be the scene of a more detailed conversation on agreements reached in London.

Regional conflicts

Among the possible regional subjects V. Ignatenko underlined the Middle East, the post-war situation in the Persian Gulf, Afghanistan, Yugoslavia, Cyprus, Cuba and Korea. The Middle East reconciliation will probably one of the main subjects of the talks. Joint documents on the Middle East reconciliation are not expected but the presidents will perhaps make statements on that account in the joint press conference on July, 31. V. Ignatenko said that he had no information concerning a possible joint visit of A. Bessmertnykh and J. Baker to the Middle East.

Cuba

Speaking about the situation in Cuba that subject will be obligatory included [as received] in the agenda, according to the Soviet President's aid. Answering the question whether the Soviet Union is going to stop any help to Cuba, V. Ignatenko said "there was the agreement between the USSR and our Cuba friends and we intend to follow it".

George Bush—republican leaders

On August, 1 the U.S. President is leaving for Kiev, where he will meet the Ukrainian leaders. There will be his meetings with the Presidents of Russia and Kazakhstan B. Yeltsin and N. Nazarbayev. As V. Ignatenko said B. Yeltsin would take a "substantial part" in the discussions, such was the decision of the Soviet President. Answering the questions of correspondents, V. Ignatenko said that all other contacts with any republican leaders, including ones from Baltic republics, are out of the program of the U.S. President's visit to the USSR. "Mikhail Gorbachev represents all the Soviet Union, including the Baltic republics," the Soviet President's press-secretary stressed.

Ignatenko Holds First Briefing

LD2907115791 Moscow TASS International Service
in Russian 0946 GMT 29 Jul 91

[By Konstantin Voytsekhovskiy and Ivan Ivanov]

[Text] Moscow, 29 Jul (TASS)—“President George Bush’s visit to Moscow will be an outstanding international event and will facilitate the development of the whole range of Soviet-United States cooperation.” This was said this morning at the Soviet-United States summit press center by Vitaliy Ignatenko, the USSR president’s aide and head of his press service.

He stressed that this is the first meeting between the heads of the two states to take place following the ending of the “cold war”. “That is the main thing that differentiates it from previous meetings, and for that reason there is a totally new range to it not only as regards Soviet-United States relations but for the whole world, for we are moving to a new level of joint action and partnership,” the head of the president’s press service said.

The USSR and the United States, Vitaliy Ignatenko went on, are not simply great powers, “they are countries that symbolize certain values and principles exerting an immense influence on the course of history.” “It was long considered axiomatic that relations between our countries should be as between adversaries and that we were somehow mutually exclusive,” he said, “but we have now proved that that is not the case and we have proved it not only on the political plane. We can prove it also on the economic plane.”

Vitaliy Ignatenko announced in this connection that in addition to the treaty on reducing strategic offensive weapons a number of other agreements will be signed during the visit—on safety in the civil aviation sphere, on technical cooperation, on medical supplies, and on cooperation in averting industrial accidents and natural disasters and in eliminating their consequences, as well as a memorandum on housing construction.

During the meeting between Mikhail Gorbachev and George Bush, Vitaliy Ignatenko went on, a wide range of issues will be examined: the situation inside the USSR, relations between the center and the republics, and Soviet-U.S. relations. The discussions at the London ‘seven plus one’ meeting will be continued, and there will also be discussion of regional questions. Among the latter, the head of the USSR president’s press service made particular note of the situation in the Near East and of analyzing the situation in the Persian Gulf following the end of the war there. “We expect that the Near East theme will be continued in an important and promising way in Moscow, that there will be a statement by the two presidents on this question.”

Answering journalists’ questions, Vitaliy Ignatenko said that “there is likely to be an exchange of opinions at the meeting concerning the Cuban problem too.” On this point he emphasized that the USSR “has certain agreements with its Cuban friends, which we shall be fulfilling.”

More on Ignatenko Briefing

PM2907155291 Moscow IZVESTIYA in Russian
30 Jul 91 Union Edition p 1

[Report by G. Alimov, G. Charodeyev on 29 July briefing by Vitaliy Ignatenko, head of the USSR president’s press service: “Moscow Awaits the U.S. President”]

[Excerpts] Vitaliy Ignatenko, head of the USSR president’s press service, held a special briefing at noon on 29 July, devoted to the visit to Moscow by U.S. President G. Bush. [passage omitted]

Is a Joint Trip to the Near East by J. Baker and A. Bessmertnykh a Possibility?

The topic of the Near East, Ignatenko stated, will be one of the main topics at the forthcoming talks between the two presidents. As for a possible joint trip by J. Baker and A. Bessmertnykh to the region, the official spokesman for the USSR president said: “I do not know about that yet.” But he made it clear that the possibility has not been ruled out.

On the Cuban Question

There were many questions at the briefing on whether the “Cuban question,” in which the U.S. side has such an interest, will be broached at the talks. V. Ignatenko reacted as follows: “This topic cannot be ruled out. It will most likely be discussed.”

Rumors of Resistance by the Military Are Exaggerated

Is it true, the spokesman at the briefing was asked, that differences exist between M. Gorbachev and the Soviet military over the strategic arms treaty? “No, that is not true,” V. Ignatenko stated.

Will G. Bush Meet With Baltic Leaders?

It is clear from V. Ignatenko’s answers that no such meeting is planned. The question has not been raised and has not been discussed.

Will Any Documents Be Signed Between the United States and Russia?

V. Ignatenko’s reply to this question from a Russian television correspondent was brief: “No.”

How Does Moscow Assess the U.S. President’s Visit?

Judging by the replies given by the USSR president’s official spokesman, the Soviet side (like the American side) attaches enormous significance to this summit. V. Ignatenko used the phrase “of a historic nature.” Emphasizing this, he also stated that the meeting is the first since the end of the “cold war.” In these circumstances it gains an entirely new resonance. We have arrived, he said, at the level of collaboration and partnership in our relations. This is indicated by the fact that

the range of questions to be discussed is constantly widening, rather than being restricted as used to be the case formerly.

Further Ignatenko Comments

AU2907111091 Paris AFP in English 1102 GMT
29 Jul 91

[By Anne Penketh]

[Excerpt] Moscow, July 29 (AFP)—The time is "ripe" to convene a Middle East peace conference and the situation in the region will dominate talks here during the U.S.-Soviet summit, two senior Soviet officials said Monday.

Vitaliy Ignatenko, spokesman for Soviet President Mikhail Gorbachev, said the Soviet leader and U.S. President George Bush might consider issuing a joint statement on the Middle East during their two days of talks. Asked whether the time had come to hold a peace conference, Mr. Ignatenko stated: "Yes, of course convening it would be timely, the time is ripe."

"The Middle East situation will dominate the agenda" during the summit, he added.

Separately, Soviet Foreign Ministry spokesman Vitaliy Churkin told reporters that Moscow believes a Middle East peace conference could be convened immediately and called on Israel to make clear its willingness to take part.

"We think it could be held without any delay," Mr. Churkin said. "For a conference to take place in the very near future all conditions are united." He said that now "would be a good moment for Israel to give a nod" to taking part in a peace conference and did not rule out the possibility that Soviet Foreign Minister Aleksandr Bessmertnykh could make another trip to Israel.

Mr. Churkin said he could not predict whether Mr. Bush and Mr. Gorbachev would issue formal invitations to a Middle East peace conference during the summit but said Moscow had done all it could to bring about such a meeting. "We're satisfied we've done our bit," Mr. Churkin stated.

Mr. Churkin acknowledged that Israel's refusal to allow any Palestinians from East Jerusalem to take part in a peace conference was complicating the peace process but confidently stated that it was "not an insurmountable obstacle." He denied there would be any direct linkage between the Israeli position on attending a peace conference and the reestablishment of diplomatic ties between Moscow and Tel Aviv, but said Israeli acceptance to attend would improve the diplomatic climate between the two countries.

The Palestine Liberation Organization (PLO), which has representatives in Moscow, had "shown flexibility" in its approach to a peace conference as had key Arab states, Mr. Churkin said.

Mr. Ignatenko said Mr. Bessmertnykh and U.S. Secretary of State James Baker would also be discussing the prospects for a peace conference when they meet here later Monday.

Monday's developments came after Israeli Defense Minister Moshe Arens stated that Israel had in principle agreed to attend a peace conference with its Arab neighbors and that a public announcement of this intention was now "no more than a formality." [passage omitted]

Ignatenko Continued

OW3007015391 Moscow INTERFAX in English
1330 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The Soviet-American summit which is scheduled July, 30 in Moscow will be the first such Soviet-American meeting after the end of the "cold war". That is its fundamental difference from all the previous Soviet-American summits. The Soviet President's press service leader Vitaliy Ignatenko spoke out in this way on the briefing on Monday in Moscow.

"We are approaching the level of cooperation and partnership in our relations," said Ignatenko. The bilateral negotiations cover all the new subjects—from arms restriction to reconciliation of regional conflicts, economic cooperation and cooperation aimed to strengthening the security all over the planet.

During the Bush visit to the USSR "the real historical agreement" on START will be signed. And though it may be criticized both from "the left" and from "the right" we say about the start of practical advance to peace on the planet, said Ignatenko.

He informed that several bilateral agreements would be signed in Moscow for improving the relations between the two countries. The attention will be paid to continuation of the process started in London where the President Gorbachev talked with the G-7 leaders mainly concerning the COCOM [Coordinating Committee for Multilateral Export Controls] politics and cooperation in the sphere of conversion.

Among the possible regional problems for discussion V. Ignatenko stressed the Middle East (probably the main subject of the talks), the post war situation in the Persian Gulf, Afghanistan, Yugoslavia, Cyprus, Cuba, Korea.

On August, 1 President Bush is leaving for Kiev where he will meet the republican leaders. In Moscow there will be meetings with the Presidents of Russia and Kazakhstan B. Yeltsin and N. Nazarbaiev.

Answering the questions of correspondents, V. Ignatenko said that any contacts with other republican leaders, including the Baltic republics' ones, are out of the program of the U.S. President's visit to the USSR.

PRAVDA Interviews Ignatenko

PM2907212491 Moscow PRAVDA in Russian
30 Jul 91 Second Edition p 5

[Interview with V.N. Ignatenko, head of the USSR president's press service, by correspondent D. Kosyrev—date, place not stated: "End of the Era of Confrontation"]

[Text] American-Soviet relations used to be built on rivalry; now we have entered a different segment of history, V.N. Ignatenko, head of the USSR president's press service, said, answering questions put by PRAVDA's correspondent in connection with U.S. President G. Bush's visit to the USSR.

[Kosyrev] Reveal the secrets of the "kitchen" in which the preparations were made for the summit meeting: How many people are involved in this process?

[Ignatenko] All our political structures take part. The Foreign Ministry, the Cabinet of Ministers, the president's apparatus—all of them. The entire political year was the run-up to this historic event. Its significance is that the signing of the strategic offensive arms agreement will take place. That means the end to many years of tremendous work, which involved a great many politicians, military men, scientists, and intellectuals. On the other hand, it means the start of a voluntary reduction in nuclear arsenals on an unprecedented scale. It can now be said: The main point is not the 30 percent that we are reducing, but the fact that movement toward the actual destruction of strategic weapons has begun. It also means an end to obsolete ideas and dogmas and the triumph of confidence.

[Kosyrev] Is there any possibility of surprises, on the presidents' initiative, in the agreed program for the talks?

[Ignatenko] This visit is the first after the end of the "cold war," the era of confrontation. All the achievements of former meetings, all the questions that have been resolved come together here and now. The success in London could be developed here, there could be discussions of more practical matters.

[Kosyrev] Matters of what kind?

[Ignatenko] There will be talks on how to turn Soviet-U.S. dialogue into relations of partnership and reciprocity, how to extend these relations to the settlement of conflicts in "hot spots," regional disputes. We are not only two big states—we are two great powers. We exert an enormous influence on all world processes.

[Kosyrev] Incidentally, the situation in the Persian Gulf, over Iraq, has deteriorated, and at this moment the U.S. President is in Moscow...

[Ignatenko] Naturally, this question cannot be ignored! Nor can the whole of the Near East tangle. Nor can the situation in Latin America, the Pacific Ocean region,

and so forth, be ignored. All this has to be analyzed, in the philosophical sense too—that is, it is necessary to find the key to collaboration at the level of confidence that has been achieved, the key to the partnership that is already a reality today.

We are basically changing the emphasis in our summit meetings. They are not only devoted to disarmament problems, they are going on to tackle questions of economic collaboration and regional problems.

[Kosyrev] B. Yeltsin and N. Nazarbayev are taking part in the talks, a day in Novo-Ogarevo is scheduled. What is this—a symbol of the times?

[Ignatenko] First of all, I must say that very good personal relations have become established between M.S. Gorbachev and G. Bush. Novo-Ogarevo, like Camp David in the United States, is a place where that special mood of confidentiality, if you like, is generated. There they will meet far from the noise of the city, far from—excuse me—journalists, and they will once again analyze what partners and politicians can permit themselves when they are entering an era of collaboration, partnership, and cooperation. In the light of our new realities and the increasing weight of the republics not only in our internal affairs, but in foreign affairs too, the participation of Yeltsin and Nazarbayev in the meeting is only natural. G. Bush will then visit the Ukraine.

[Kosyrev] How are you coping with the press this time?

[Ignatenko] We have accredited 2,456 people. It is very gratifying that our own press from other cities and the republics is widely represented—it is the first time I have come across this. We have about 70 of these journalists. You can see that the press service is working so hard that we are spending all day and all night here. Peter Jennings—ABC television's top presenter—has just finished a major filming session. The interview lasted nearly two hours, it was filmed in the course of a walk with the president around the Kremlin and in the Secret [Taynitskiy] Garden. Then it was not Gorbachev who answered some of Jennings' questions: The presenter took the microphone to some people who were walking nearby, by the Tsar Cannon.

Press Center Opens

LD2907130691 Moscow TASS in English 1212 GMT
29 Jul 91

[By correspondent Mikhail Ivanov]

[Text] Moscow July 29 TASS—A briefing by Soviet presidential spokesman Vitaliy Ignatenko opened today the international press centre of the Soviet-American summit at 4 Zubovsky Blvd, the usual venue for Foreign Ministry briefings.

The conference hall in the centre is not large enough to accommodate all journalists who have come to cover the summit.

According to the Soviet Foreign Ministry's information directorate, the summit will be covered by a total of 397 Soviet and 2,059 foreign journalists (821 permanently based in Moscow and 1,238 special correspondents arriving with the U.S. President's team, including 187 reporters accredited at the White House).

To provide more room for this huge "writing and filming landing force", the organisers opened one more press centre in the capital's World Trade Building, known here as the Hammer Centre.

Ignatenko and his American colleague Marlin Fitzwater are expected to hold there a joint briefing upon the completion of the first conversation between Mikhail Gorbachev and George Bush.

Diplomats Give Preview

OW3007021691 Moscow INTERFAX in English
1500 GMT 29 Jul 91

[From the "Diplomatic Panorama" Feature; Following item transmitted via KYODO]

[Text] Yury Deryabin, chief of the department for security and cooperation in Europe: "Accents in our relationship will undoubtedly be shifted. In the first place, European affairs will stand more prominently in our dialogue, I think. We'll have to closely cooperate in the framework of the CSCE process and in connection with issues relating to conflicts. (At the first conference of foreign ministers from the countries involved in the CSCE held in Berlin the main disputes between the majority of participants and the Soviet delegation emerged precisely in connection with this issue and nearly blocked the meeting: DP [Diplomatic Panorama]).

"The disarmament process will continue, of course. Still there are many questions requiring solution, in particular new talks on disarmament following Helsinki-II. Talks on short range nuclear weapons or tactical weapons are just beginning. In my view negotiations on strategic offensive weapons will progress in the direction of 50 percent cuts.

"The economic aspect in the Soviet-American relationship will become more pronounced".

Konstantin Mikhailov, deputy-head of the department for arms Limitation and disarmament: "On the agenda today is the continued process of strategic arms limitation and problems of strategic stability. This comes immediately after signing the START Treaty. It was also mentioned in the joint Soviet-American statement in June, last year.

"Besides, the focus of the world, and hence Soviet and American, attention is on bolstering the regime of non-proliferation of nuclear weapons and technologies, and other weapons of mass destruction. There's mutual understanding that close cooperation is needed in this sphere".

Vasiliy Kolotusha, chief of the Middle East department: "We expect that Middle East problems will be more visible at the Moscow summit and in the Soviet-American dialogue as a whole. In other words, there will be new themes to consider and more problems not only for discussion or exchange of views, but also for coordination of efforts, if necessary. The two sides are undoubtedly expected to exert more efforts with a view to convening a peace conference on the Middle East as early as the coming autumn."

Yuriy Fadeyev, deputy-head of the Far East and Indochina Department: "On the whole, Americans and we have a common approach to the Korean question. I can't predict if this will be mentioned in the final communique, but if so, the two sides will speak out for defusing tension, ending confrontation, and setting up peaceful dialogue between the two Korean states.

"We, just as the Americans, proceed from leaving for Korea to solve the purely internal question of its unification".

Aleksandr Panov, chief of the Pacific and South-East Asia department: "At the moment I don't see urgent issues in this area that would require immediate consideration. In my view Asia-Pacific problems will not draw much attention at the meeting in Moscow.

"At the moment the two countries are facing many extremely pressing problems whose solution cannot be delayed; the Middle East, Africa, Central America, the Korean and Cambodian issues. We agreed with the Americans that questions connected with the Asia-Pacific region will be discussed on the working level to compensate for the lack of attention to them at the summit. Besides, judging by the American approach, I doubt that Asia-Pacific problems will acquire a new shade of meaning in our relationship".

Eduard Borshchevskiy, deputy chief of the economic department: "I think accents will [be] shifted in the relationship between the USSR and the U.S. in the direction of economic, scientific and technical cooperation. Our integration into the world economy and the processes occurring inside the country are logically bringing us to this level."

Yeltsin To Receive Bush 30 July

LD2907142891 Moscow Radio Rossii Network
in Russian 1230 GMT 29 Jul 91

[Text] Russian President Boris Yeltsin, will receive the President of the United States in his residence in the Kremlin at 1600 tomorrow. The Russian Information Agency parliamentary correspondent reports that on the Russian Federation side, Ivan Silayev, prime minister; Gennadiy Burbulis, secretary of state; Viktor Ilyushin, head of the president's secretariat; Andrey Kozyrev, Foreign Minister; Pavel Voshchanov, president's press secretary, and—as the saying goes—other officials, will take part in the meeting.

Yeltsin, Kazakhstan President Join Summit

AU2907094791 Paris AFP in English 0943 GMT
29 Jul 91

[Text] Moscow, July 29 (AFP)—Russian President Boris Yeltsin and Kazakhstan President Nursultan Nazarbayev will join the Soviet delegation at the U.S.-Soviet summit here, an official said here Monday.

"Boris Yeltsin was invited to take part in this historic meeting as was Nursultan Nazarbayev because this summit will outline not only the state of Soviet-American relations but also the state of the world," Soviet presidential spokesman Vitaliy Ignatenko said.

Speaking to reporters, Mr. Ignatenko added that the decision to include the two republic leaders had been made by President Mikhail Gorbachev and added: "It is understandable because it concerns two of the largest republics of the Union."

Pavlov, Moiseyev Also in Delegation

AU2907103191 Paris AFP in English 1010 GMT
29 Jul 91

[Excerpts] Moscow, July 29 (AFP)—Russian President Boris Yeltsin will take part in the U.S.-Soviet summit here as a member of the official Soviet delegation following an invitation from Soviet President Mikhail Gorbachev, a spokesman said Monday. [passage omitted]

Mr. Ignatenko said Soviet Prime Minister Valentin Pavlov and General Mikhail Moiseyev, the chief of staff of the Armed Forces, would also join the Soviet delegation.

Muscovites Said Indifferent to Summit

LD2907140391 Moscow TASS in English 1336 GMT
29 Jul 91

[by correspondent Alexey Agureyev]

[Text] Moscow July 29 TASS—"I would like to see more foreign dignitaries coming to Moscow, especially on such high-level visits as President Bush," Volodya Dotsoyev, a "free artist" from Arbat, told TASS today.

Dotsoyev, like many of his fellow artists, displays his works in Arbat, a pedestrian district in downtown Moscow. The 21-year-old artist specializes in political cartoons and, he testifies, his business booms before each important political meeting in Moscow.

"Mostly foreigners buy my cartoons," he says, showing an array of caricatures of prominent politicians. The centerpiece of his collection for the current summit is President George Bush and his wife Barbara, sending broad "American" smiles to the Soviet public.

"During months when politics is made in Moscow, Arbat cartoonists earn more than 2,000 roubles on the popularity of political leaders," Volodya points out. To compare, the salary of USSR first deputy prime minister is 2,100 roubles a month.

The name of the American President is often mentioned among the crowd that gathers near the editorial office of the outspoken weekly MOSCOW NEWS in Pushkin Plaza, the place dubbed the Moscow Hyde Park. The crowd of wrangling men is no surprise, but what is unusual is a Russian-speaking black man in the centre of one of the groups.

"This is a strange American, defending perestroika," a man replies to my query. The "American" was indeed very unusual: he was doing his utmost to explain to his Soviet audience that they should not forget their national and historic traditions and only this can help them achieve national rebirth.

The foreigner turned out to be a medical graduate from the Patrice Lumumba peoples' Friendship University, Teofil Debuga from Burkina Faso. In all likelihood Muscovites called him "American" for the same reason that all foreigners in the country were named "Germans" in the past. If a foreigner is black and well-dressed, he must surely be an American.

What other things strike the eye? Young people dressed as Cossacks are seen walking along the boulevard near Nikitskiye Vorota. About ten anarchists are having a rally under a black flag nailed to a tree near Kropotkiskaya Station. Young men in sailors' suits and caps with ribbons fluttering in the wind are spotted in all parts around the city, celebrating navy day.

It seems that of all Muscovites, who are sick and tired of politics, only Arbat artists and Pushkin Plaza wranglers remember about the summit meeting. The rest are just enjoying the sunny summer day.

New Intourist Chief Prepared

LD2807160191 Moscow TASS in English 1539 GMT
28 Jul 91

[By correspondent Vladimir Yegorov]

[Text] Moscow July 28 TASS—"We plan to react flexibly to fluctuations of the tourist market," Vladimir Malinin, the new chief of the Soviet Intourist foreign travel company told TASS.

"We have many plans for Monday's visit by U.S. President George Bush to the Soviet Union. The visit is so important, that even continuing political and economic instability in the Soviet Union is unlikely to stop an influx of overseas travellers. Intourist is prepared to offer its services to all of them," Malinin said.

"The administrative-command structure which hampered, rather than promoted tourist exchanges has been dismantled. All limitations on profitable services have been lifted," he said.

Intourist will give priority to catering for individual tourists and businessmen, he said.

"This, however, does not exclude our firm's involvement in other forms of commercial work—group tours, international congresses and exhibitions and interest tours," he said.

"We are facing competition from cooperatives and other new Soviet tourist organisations that are emerging as the industry moves to market relations," he said.

Intourist plans to cooperate actively with firms from Germany, France, Britain, Italy, Spain, Japan, Canada and other countries, he said.

Relations with tourist firms in eastern Europe have to be re-established on the basis of hard-currency payments, he said.

"In the six decades of its existence, Intourist has forged firm contacts with foreign partners and has no intention to break them," he said.

Observer on Ties, START Significance

PM2907110591 Moscow PRAVDA in Russian
29 Jul 91 Second Edition p 7

[Article by political observer Gennadiy Vasilyev: "Meeting in Moscow. Thoughts Ahead of the Summit"]

[Excerpts] [passage omitted] I saw this telephone behind glass in a U.S. museum. An ordinary telephone of the kind used in the sixties. But why did visitors stop in front of what appeared at first glance to be an unremarkable exhibit and gaze at it attentively? It turned out that we were looking at the first Washington-Moscow "hot line" telephone, installed in the White House under President Kennedy.

It appeared in the U.S. presidential office a year after the Caribbean missile crisis when the world, as historians on both sides now admit, found itself on the brink of nuclear war. [Passage omitted].

I remembered the old Washington-Moscow "hot line" telephone when glancing over articles devoted to the incipient Soviet-U.S. summit. How thin and flimsy the line of communication connecting the leaders of our two great powers was! It was designed to help avoid a fatal error and allow them to urgently question one another in the event of alarm bells ringing. But personal contacts between the leaders themselves, rare and episodic at that—we remember Khrushchev's meeting in Vienna with Kennedy in 1961—often developed into a clash of political ambition and characters. [passage omitted]

It is only the current period of Soviet-U.S. relations, opening with the Vienna summit in 1985 and marked by

an intellectual breakthrough in Reykjavik (1986) and the signing of the first agreement to really cut back the arsenals of mass-destruction weapons—the treaty on the elimination of intermediate-range and shorter-range missiles (Washington 1987)—that began the process of pulling mankind back from the edge of the nuclear abyss. This only became possible due to a change in the philosophical-conceptual basis of Soviet-U.S. relations and foreign policy as a whole: the deideologization of interstate relations, the priority of pan-human values, peoples' right to choose their own destiny, and the predominance of law over force. These principles of the new political thinking have an elevated, ephemeral ring. But they have become the firm foundation of the new world system that is taking shape before our eyes.

So, a strategic offensive arms treaty will be signed in Moscow the day after tomorrow. What kind of agreement is it? What are its parameters? Whereas the treaty on intermediate-range and shorter-range missiles only "cut" USSR and U.S. nuclear arsenals by 4 and 2 percent respectively in terms of the number of carriers and warheads, the new wide-ranging agreement makes provision for cuts of 30 percent on average. Moreover, cuts in the most formidable, strategic offensive arms. I am referring to intercontinental ballistic missiles, submarine-launched and air-launched nuclear missiles, and bombers. It will take seven years to put the agreement into effect. Its term of operation is 15 years, with provision for it to be extended.

This represents a mighty cut in the potential of mass destruction. It as it were rolls back the nuclear threat and creates confidence that our countries can cope with subsequent steps toward a safe, nonviolent world.

These are not only our thoughts. This is what the U.S. LOS ANGELES TIMES writes about it: "We won't stint in assessing the significance of the strategic offensive arms treaty. It constitutes another important step toward further improving Soviet-U.S. relations and strengthening the elusive but vitally important foundation of trust that makes it possible to increase mutual understanding and secure new agreements. We are bound to give credit to the efforts made and determination shown by the two countries' specialists—70 on the U.S. side and 50 or 55 on the Soviet side—who have worked so long in Geneva on formulating this incredibly complex treaty. But ultimately it is not the technical decisions but the political will that saw the completion of this work."

As for the telephone, the new replacement rings often. Presidents Gorbachev and Bush talk regularly. They discuss urgent problems pertaining to bilateral relations and pressing international matters. This is what is interesting. No one calls the line between the Kremlin and the White House a "hot line" any longer. Because the word "hot" contains a hint of alarm and reflects the nature of our relations when they kept blowing hot and cold. Today the Moscow-Washington temperature is normal.

Geneva Arms Treaty To Be Signed

LD2907122391 Moscow TASS in English 1205 GMT
29 Jul 91

[By correspondent Boris Shabayev]

[Text] Text] Geneva July 29 TASS—The initialling of the Soviet-American treaty on the reduction of strategic offensive weapons here today crowned the ten-year marathon of drafting [words indistinct] historic document.

Addressing the final plenary meeting of the Geneva talks, chief Soviet and American negotiators, Yuriy Nazarkin and Linton Brooks, were unanimous in their assessment of the treaty.

It is important, they said, because the two [words indistinct] powers not merely limit, but substantially cut their most dangerous armaments for the first time in history.

Both officials are convinced that the treaty will reinforce principles of Soviet-American relations and expand and consolidate positive trends in international relations towards cooperation and trust, and away from confrontation.

The Russian and English copies of the document will be brought to Moscow on Tuesday. President Mikhail Gorbachev and President George Bush will sign the treaty during the Moscow summit.

Moscow Welcomes Bush

LD2907193591 Moscow TASS in English 1917 GMT
29 Jul 91

[Text] Moscow July 29 TASS—The Soviet capital today welcomed President George Bush with traditional Muscovite hospitality. The official visit to the Soviet Union has begun.

As all previous summits, the current meeting is in the focus of world public attention. The public expect the Moscow of July 1991, a splendid time of Russian summer, to become another milestone on the road leading away from mistrust and confrontation towards mutual understanding and cooperation, towards a nuclear-free and fair world.

Troops of the guard of honour stand frozen on the tarmac of Sheremetyevo airport. A star-spangled banner of the United States and a red banner of the Soviet Union are on top of two tall flagstaffs.

Colourful posters bedeck the facade of the airport building. One of them reads, "welcome, Mr. President" in Russian and English.

The crowd in the airport warmly greets the U.S. President.

Soviet Vice President Gennady Yanayev and Foreign Minister Alexandr Bessmertnykh are the first to shake hands with President Bush and his wife Barbara as they emerge from the plane.

Yanayev and Bush walk towards the guard of honour made up of servicemen of three arms of the Soviet Armed Forces—the land forces, the air force and the navy.

The chief commanding officer salutes the President near the banner of the USSR Armed Forces.

A military brass band performs state anthems of the United States and the Soviet Union.

Yanayev and Bush bow to the banner of the USSR Armed Forces and review the guard of honour.

Soviet officials who have come to the airport are presented to President Bush.

The President greets members of the U.S. Diplomatic mission to Moscow, led by Ambassador Jack Matlock.

The airport ceremony is crowned with a march-past of the guard of honour.

The presidential motorcade accompanied by motorcycle outriders heads for the city. In Moscow, Bush will stay in the American ambassador's official residence of Spaso House just a mile from the Kremlin.

Hundreds of state flags of the United States and the USSR and "welcome president" streamers adorn streets and squares along the route.

Attends Official Ceremony in Kremlin

LD3007085991 Moscow TASS in English 0822 GMT
30 Jul 91

[Text] Moscow July 30 TASS—Soviet President Mikhail Gorbachev extended a warm and cordial welcome to U.S. President George Bush and his wife Barbara at an official ceremony in the Kremlin's St. George's Hall today.

A little over a year has passed since Gorbachev visited the United States. "This year witnessed crucial events in our two countries and the world," Gorbachev said.

"For the Soviet Union, this was a year when our ability to act constructively during a critical transition process along democratic reforms was tested practically every-day," he said.

The Soviet Union and the United States reached considerable progress in the political, military and economic spheres, Bush said in his reply speech.

For the first time in 50 years, the two countries joined their effort against aggression in the Gulf, he said.

The signing of the START treaty will "take the Soviet Union and the United States one step away from cold war," he said.

After the ceremony, Soviet and American officials, accompanying the presidents, exchanged hand shakes and greetings.

Kremlin Ceremony Noted

LD3007075791

[Editorial Report] Moscow All-Union Radio Mayak Network in Russian at 0713 GMT on 30 July carries a relay of the Kremlin ceremony at which USSR President M.S. Gorbachev welcomes President Bush at the start of his visit to the USSR.

At 0717 GMT correspondent Viktor Levin says that Bush and his wife Barbara are now entering the St. George Hall of the Kremlin. Levin speaks of the importance of Soviet-U.S. relations, of rivalry yielding to mutual understanding, and mutual understanding yielding to partnership.

Next Levin describes Bush and Barbara walking toward Gorbachev. They shake hands. Bouquets are presented. Levin describes the line up.

At 0720 GMT Gorbachev greets Bush and his wife, welcoming them to Soviet soil and the Kremlin. He says that little more than a year has passed since his U.S. visit—a great deal has been done since then, for us in the USSR it's been a year during which our ability to act has been tested every day. The year has been full of trials for the international community, too. Difficult tests have had to be taken at the opening of the new period. Much depended on relations between the Soviet Union and the United States. He continues: We are beginning to realize that we need each other and that security and internal stability benefit each of us. We will be talking about all of this during our meetings to day and tomorrow, he adds, Gorbachev notes the importance of the forthcoming signing of the START treaty. This is not just a major arms reduction act, it is a symbol of the universal nature of the change for the better in world development. I hope this will enable our peoples to benefit from improving soviet-U.S. relations, he concludes.

At 0727 GMT Bush gives a reply speech.

At 0737 GMT Bush ends his speech. Levin describes handshakes: Gorbachev shakes hands with James Baker, meets with members of the U.S. delegation, including Sonunu, Scowcroft, Matlock, and Fitzwater.

Levin describes Bush's handshakes with other Soviet leaders.

At 0740 GMT Levin says Gorbachev is now telling Bush about the features of the St. George Hall. At 0742 GMT Levin concludes the live report from the Kremlin.

Gorbachev Gives Speech

LD3007083591 Moscow All-Union Radio Mayak Network in Russian 0713 GMT 30 Jul 91

[Speech by USSR President Mikhail S. Gorbachev at a welcoming ceremony for U.S. President George Bush in the Kremlin—live in Russian followed by passage by passage interpreter's translation into English]

[Text] Respected Mr. President, Mrs. Bush: I sincerely and cordially welcome you to Soviet soil, within the walls of the ancient Kremlin.

A little more than a year separates us from my visit to the United States of America. This year has contained events of huge significance both in our countries and in the world as a whole. For us in the USSR this was a year when it could be said that our capacity to act constructively under conditions of a critical transition process and our movement along the road of democratic transformations and reforms was tested daily. This year was full of difficult trials for the world community as well which is also getting over, is making its way through, a transition period from one system of international relations to a new, unprecedented one.

An extremely difficult test has to be endured at the beginning of this new period in history. It requires the utmost concentration of effort from statesmen, the highest degree of responsibility and the strictest realism and foresight. And much depended and depends in world politics on how the Soviet Union and the United States interact. For the first time our countries have the opportunity to build their relations on the natural basis of common human values and national interests.

We are starting to realize that we need each other, that the security, internal stability, and dynamic development of each of our countries is to the benefit of both. These relations between the Soviet Union and United States are necessary not only to them but to the whole world. It has realized this and supported us in our joint efforts.

We will speak of all this and of much else with you today and tomorrow, Mr. President. In your person the Soviet people welcome the leader of a great power, a state figure who is making a huge contribution to shaping a new world policy.

Mr. President, here in the Kremlin, which embodies the centuries- long history of our state, events have been taking place for the past few months and weeks which will determine its future destiny. One such event will be tomorrow's signing of the treaty on reducing strategic offensive weapons. This is not only a major act in the process of disarmament, it is a symbol of the growing irreversibility of the fundamental change for the better in world development.

The results of the G-7 in London in turn strengthen this irreversibility. It laid the foundation for a new type of international economic relations, which means that the material basis of world policy is turned toward the 21st century. All of this will, I hope, enable our people to feel more directly the fruits of the improvement in Soviet-U.S. relations.

Permit me, Mr. President, to assure those who will be following the work you and I will be doing over these days that we will try to justify the hopes of our fellow citizens, the American and Soviet peoples.

Once again, I sincerely welcome you. Esteemed President, esteemed Mrs. Bush, welcome to the Soviet Union.

Bush Responds

LD3007095891 Moscow All-Union Radio Mayak
Network in Russian 0713 GMT 30 Jul 91

[Speech by President Bush at welcoming ceremony in the Kremlin attended by USSR President Mikhail S. Gorbachev—live in English with superimposed Russian translation]

[Text] First, I would like to thank President Gorbachev and those officials who met us yesterday. We have indeed been looking forward to this visit.

At this time, when tension is giving way to the onset of a time of hope, I consider it an honor for me to be in Moscow for this historically important meeting with President Gorbachev. We have only to compare the rhetoric of the cold war with the historic achievements which we have reached in the past few years to realize that the dawn of hope has truly come. No one visiting this country could fail to see the signs of change.

Since my last visit in 1985, we have witnessed the bringing down of barriers in Europe and the end of a world polarized by suspicion. When Mikhail Gorbachev assumed leadership of the Soviet Union he set in motion many monumental changes and began to put into practice reforms which have transformed our world.

In America everyone knows at least two Russian words—glasnost and perestroika—and here everyone values the English word democracy. Our countries have achieved progress in many fields—political, military, and economic. For the first time in 50 years we joined forces to stand together against aggression in the Persian Gulf, and this week, as Mr. Gorbachev said, with the signing of the treaty on strategic offensive weapons we are taking yet another step, thus moving even further from the cold war.

In the course of the next two days, President Gorbachev and I hope on the basis of this beginning to lay the foundations for Soviet-American relations built not upon military confrontation but on economic cooperation and cooperation on strengthening security. In the economic sphere we hope to develop the agreement reached at Malta to normalize economic relations and to work to help the integration of the USSR into the world economy.

In the Near East, where discord reigned, we see new possibilities. We will work together for the attainment of a lasting peace between Israel and its Arab neighbors.

We will also make efforts for the resolution of the conflicts in Afghanistan and Cambodia, as we labored to ensure peace and democracy in Angola, Namibia, and Nicaragua.

The world must no longer serve as the arena for confrontations between the superpowers. Instead of that let every region of the world, from Latin America to Angola and Afghanistan, be a region of new opportunities. We will pursue common goals: a stable world, no longer divided, mutually advantageous economic links, cooperation in everything from the nonproliferation of weapons to environmental problems.

With his unusual insight and boldness in replacing the old orthodoxy with glasnost and perestroika, President Gorbachev has earned our respect. But deeper than the relations between leaders are the values that are shared by their peoples and in this our common humanity offers the greatest hope for mankind.

Yes, we do have differences, but this gives us an opportunity for concentrating our attention upon the things where we differ, for example, Cuba, the future of the Baltic republics and the territories that Japan calls the northern territories. But I call for all our affairs to be conducted in a spirit of firm partnership based upon peaceful and democratic policies and a productive and free economy.

Americans want to cooperate with all levels of Soviet society. Beyond our central governments we seek broader cooperation between the citizens of our states and our republics. Beyond governments we strive towards a better understanding in the broad circles of society, among businessmen, students, artists, and scientists.

So I have come here to the Soviet Union on an official state visit, and I observe that I have come to a country with rapidly developing changes. For the goals of peace and prosperity I have come here on behalf of all Americans to assure President Gorbachev and the country's leaders and the great people of this country in all of its republics that we support you in your historic struggle for democracy and reform.

Fifty years ago we joined together and fought as allies in a terrible war which cost the Soviet Union many hundreds of thousands of lives. This week let us join together again in the search for a new world, more stable, more just, and more peaceful. Thank you, and may God bless the sovereign people of the Soviet Union. I am very glad to be here.

Talks Begin

LD3007085191 Moscow TASS International Service
in Russian 0755 GMT 30 Jul 91

[By diplomatic correspondent]

[Text] Moscow, 30 Jul (TASS)—A one-to-one conversation has begun in St. Catherine's Hall of the Grand Kremlin Palace between USSR President Mikhail Gorbachev and U.S. President George Bush.

After the tete-a-tete meeting, Foreign Minister Aleksandr Bessmertnykh and Secretary of State James Baker, and

other Soviet and U.S. officials will join in the dialogue between Mikhail Gorbachev and George Bush. TASS diplomatic correspondents have been told that the whole complex of questions of Soviet-U.S. relations and, first of all, problems of arms control [kontrol], is in the focus of the interlocutors' attention. The most topical aspects of the present international situation, including the situation in Yugoslavia, a Near East settlement, the situation in other regions and the possibilities for joint actions to unblock regional conflicts are being discussed. Considerable attention is being devoted in the course of the talks to the theme of expanding Soviet-U.S. commercial and economic cooperation.

Baker Arrives

*LD2907121691 Moscow TASS in English 1123 GMT
29 Jul 91*

[By diplomatic correspondent Vasily Titov]

[Text] Moscow July 29 TASS—U.S. Secretary of State James Baker arrived in Moscow today within the framework of the forthcoming visit by President George Bush.

In the afternoon, Baker will meet with his Soviet counterpart Aleksandr Bessmertnykh.

They will also discuss prospects of developing bilateral relations and regional and other international issues of mutual interest.

Bessmertnykh, Baker Begin Talks

*LD2907154591 Moscow TASS in English 1420 GMT
29 Jul 91*

[By diplomatic correspondent Georgiy Shmelev]

[Text] Moscow July 29 TASS—Soviet Foreign Minister Aleksandr Bessmertnykh and U.S. Secretary of State James Baker began talks in the Foreign Ministry's mansion in Moscow today.

Responding to journalists' questions before the talks, Bessmertnykh said that they are to focus around issues connected with the signing of the treaty on strategic offensive weapons.

"The sides will define lines of conduct for the period following the signing and prior to ratification and discuss prospects for continuing the negotiating process on the reduction of strategic arsenals, which should be continuous."

In addition to issues of bilateral Soviet-American ties, the sides will discuss some regional problems, above all the Middle East settlement.

The Soviet foreign minister believes that the time is appropriate for convening a peace conference on the Middle East, which could start work before the year end.

Delay with the convocation is fraught with "certain problems", he added.

It is necessary to exchange views in the light of Baker's recent trip to the Middle East, Bessmertnykh said. On his part, the Soviet foreign minister will inform Baker about the exchange of messages with the leaders of some states in the region on the Middle East settlement.

Addressing journalists, Baker confirmed the possibility of holding such a conference, although there are certain problems in its way.

The U.S. secretary of state recalled that he mentioned "a window of opportunities" on the Middle East settlement following the Gulf crisis. To keep the window open, "extra efforts" are required, he said.

Baker, Bessmertnykh Sign Documents

*LD3007101991 Moscow TASS in English 1011 GMT
30 Jul 91*

[By diplomatic correspondent Georgiy Shmelev]

[Text] Moscow July 30 TASS—Five documents mapping out the future of Soviet-American relations were signed in a ceremony at the Soviet Foreign Ministry's Mansion in downtown Moscow today.

A memorandum of understanding between the governments of the USSR and the United States on disaster assistance has been signed by Soviet Foreign Minister Alexander Bessmertnykh and U.S. Secretary of State James Baker.

Soviet First Deputy Prime Minister, Economics Minister Vladimir Shcherbakov and Baker have signed a protocol on technical economic cooperation.

A memorandum of understanding concerning cooperation on civil aviation security, an agreement on emergency medical supplies and related assistance and a memorandum of understanding on housing and economic development have also been signed on behalf of the governments of the two countries.

Bessmertnykh and Baker announced after the ceremony that their talks will continue at the Foreign Ministry's mansion later in the day.

Asked by journalists whether the morning round of talks touched upon the Middle East settlement, Bessmertnykh replied that the sides exchanged views on the matter and its discussion will continue.

Baker added that in the search for ways to resolve the middle East conflict, the United States and the USSR maintain a constant contact. This problem, he remarked, will be thoroughly analysed in the talks later today.

First Ladies Tour Kremlin

*LD3007094291 Moscow TASS in English 0922 GMT
30 Jul 91*

[By diplomatic correspondent]

[Text] Moscow July 30 TASS—While Mikhail Gorbachev and George Bush are engaged in one-on-one conversation in St. Catherine's hall of the Grand Kremlin Palace, their charming wives are touring the ancient Kremlin. Raisa Gorbacheva showed to Barbara Bush the Cathedral Square, the oldest one in Moscow.

The most ancient cathedral, the Cathedral of the Dormition, is situated in the square. It is more than 500 years old. A wooden church of the 13th century stood earlier on this site. Eminent Bolognese architect Aristotle Fioravanti was invited to build the cathedral.

The Cathedral of the Dormition, formerly the main church of the Russian state, is impressive for its dimensions and interior decor. Its walls are covered to the vaults with frescoes on evangelical and biblical themes. The frescoes were completed by 1515.

The beautiful throne of a patriarch, a masterpiece of craftsmanship, was installed in the Cathedral of the Dormition where Moscow metropolitans and patriarchs conducted services. A tsar's throne was installed there at the will of Ivan the Terrible in 1551. People from other towns went there to marvel at its beauty.

During the tour of the Moscow Kremlin, the two leading ladies will visit the armoury chamber, the country's oldest museum founded in the 16th century.

Displayed in its halls are the main collections of arts and crafts from state museums of the Moscow Kremlin.

Masterpieces of Russian, oriental and West European art are kept there. On display are collections of blank arms, fire arms, armour gold and silver articles dating from the 12th-17th centuries, Byzantine arts and crafts, precious fabrics, ancient state regalia, including the famous hat of Monomakh, horse decorations, collections of ancient manuscripts, banners, medals and orders, clocks and watches. All these articles are associated with various historic events and personalities and are of great historic value, in addition to artistic value.

Prospects for Soviet-U.S. Trade Viewed

LD2907221991 Moscow TASS International Service
in Russian 1630 GMT 29 Jul 91

[By diplomatic correspondent Vasilii Titov]

[Text] Moscow, 29 July (TASS)—The present state of trade and economic relations between the USSR and the United States cannot be called satisfactory, however there are prospects for cooperation between the two countries in this sphere. That is the opinion of Igor Runov, vice president of the American-Soviet Trade and Economic Council [ASTEC].

Interviewed by your TASS correspondent on the eve of the official visit to the USSR by U.S. President which begins today, Igor Runov noted that cooperation between the USSR and the United States in the field of

the economy and trade does not match up to the level of Soviet-U.S. relations either in absolute volume of trade turnover or in its structure.

There are many reasons for this, the ASTEC vice president considers. Among them are the grave legacy of the cold war period, problems which have built up for years in trading restricted predominantly to supply of raw materials and fertilizers to the United States and of grain to the USSR, and the structural underdevelopment of the Soviet economy, with a technological lag which has been more and more noticeable in recent times.

It will be far from easy to overcome all this, in Igor Runov's view. Moreover the ASTEC vice president does not think that the situation might improve substantially following the granting to the Soviet Union of Most Favored Nation status in trading with the United States. "With the insignificant proportion of machinery and equipment in Soviet exports to the United States which exists today, the granting of such status may increase the volume of trade turnover by no more than \$20 to 30 million," he observed. Most Favored Nation status, the ASTEC vice president said, is a necessary but not a sufficient condition for progress in economic cooperation.

The solution to the problem, Igor Runov thinks, is directly connected with the success of economic reform in the USSR. And primarily in two aspects of this: the development of progressive forms of organization of production, including independent entrepreneurship, and the creation of the legal conditions which promote long-term investment of foreign capital in various branches of the Soviet economy. In that event, he emphasized, one will be able to speak about gradual but steady progress.

The foregoing does not mean that there are no immediate prospects for considerable shifts, the ASTEC vice president continued. He said that an interest in development of cooperation is evident on the U.S. side in the field of oil and gas extraction, and in timber processing. Skillful utilization of such interest for the implementation of joint economic projects would make it possible to make significant financial gains in the near future, including funds for subsequent re-investment.

Despite all the problems which exist, it is important, Igor Runov noted in conclusion, that both sides today have a clear understanding of the mutual benefit and of the objective necessity of the development of trade and economic ties. This means that one can speak about the future with definite optimism.

Gorbachev Sends Greetings to Youth Forum

LD2907222391 Moscow TASS in English 2201 GMT
29 Jul 91

[By correspondent Ivan Lebedev]

[Text] Washington July 30 TASS—A U.S.-Soviet youth conference opened in Louisville, Kentucky, on Monday.

Its participants will discuss state methods of economic management, trade and economic cooperation between the Soviet Union and the United States, as well as prospects for developing entrepreneurship in the Soviet Union.

The conference, organized by the Soviet Parliamentary Committee for Youth Policy, the Soviet Fund of International Youth Cooperation and the U.S. International Institute of Applied Politics, will last five days.

The conference is being attended by young politicians, scientists and businessmen from the Soviet Union and the United States. This is the second such event. The first one was held in Belgorod, central Russia, last April.

Soviet President Mikhail Gorbachev sent greetings to participants in the conference.

"It is symbolic that the conference is being held during a U.S.-Soviet summit meeting in Moscow. I believe this proves that cooperation between both countries is successfully developing at different levels and in various spheres, and the youth plays an active role in this cooperation," V. Tsybukh, head of the Soviet delegation, chairman of the Soviet Parliamentary Committee for Youth Policy, told TASS.

U.S. businessmen are proposing interesting projects for cooperation and their Soviet colleagues are ready to participate in these projects. Hopefully, the conference will not confine itself only to discussions but will help conclude concrete agreements in various fields, Tsybukh said.

Strauss 'Has a Lot To Learn'

PM2907153391 Moscow PRAVDA in Russian
22 Jul 91 Second Edition p 6

[Commentary by correspondent Vitaliy Gan: "Ambassador's 'Personal Access'"]

[Text] Washington—When President Bush nominated Robert Strauss as U.S. ambassador to the Soviet Union, many people in Washington openly expressed their amazement. For all his excellent reputation as an extremely good lawyer and a master of political and business deals, Strauss has never had anything to do with Soviet affairs. On the day of the White House announcement—at the beginning of June—he himself readily admitted that he found it hard to explain the President's decision.

Strauss has obviously been working on some answers in the meantime. At the Senate Foreign Relations Committee hearings convened to approve his nomination, Bush's choice spoke confidently. According to Strauss, the President has chosen him in the belief that his ability to conclude deals will help to steer Soviet-U.S. relations through the confusion in the USSR. "In view of the

enormous changes and uncertainty in the Soviet Union, the President and secretary of state now regard this post somewhat differently" than before, Strauss said. "My personal experience as a communicator and negotiator capable of solving problems and interpreting policy" is best suited to precisely this kind of situation, he pointed out.

No one had any reason to doubt Strauss when he said that his ignorance of the Russian language and lack of experience in Soviet affairs would be "compensated" by his personal access to Bush and Baker and his reputation as a lawyer, democrat, and broker with good connections in the Republican leadership. Strauss assured Senators that he would endeavor to establish a "very good relationship" with President Gorbachev and Foreign Minister Bessmertnykh. "But I definitely do not expect to confine myself to Moscow and hope to establish good relations with Yeltsin and other republic leaders as well," he added. "I may not speak Russian, but you can be sure that no Soviet leader will have any illusions about how Americans react to intimidation in the Baltic or to support for Castro's brutality in Cuba," Strauss said, touching on a now ritual subject.

But what does he plan to do, apart from establish a "very good relationship" with the Soviet leadership? Senators heard nothing specific, in my view. Strauss carefully avoided any detailed discussion of future U.S. political initiatives with regard to the Soviet Union. He simply promised to "work hard" to maintain progress in the arms control sphere and promote closer economic ties.

Even the latter intention sounded totally unconvincing in light of his extremely skeptical remarks on the prospects of our transition to a market economy. In his opinion, there are very few opportunities for U.S. businessmen in our country. Americans are being justifiably cautious about investing in the USSR, he said, and the "situation will have to improve" before they take any substantial steps in this direction. Strauss spoke out against any extensive aid program for the Soviet Union, declaring that the Soviet Government is still "much too sluggish" to use this aid sensibly. In my opinion, he said, in the present circumstances giving monetary aid would be like throwing the money down a well.

Well, Strauss knows how to count money and make money: He owns shares in and is on the board of directors of almost a dozen leading U.S. corporations. In the last 18 months alone his income reached \$4.5 million. True, Strauss has now promised to withdraw from all these boards and invest his millions in a so-called "blind trust" whose operations he cannot control. That is the law: Ambassadors and other presidential appointees are obliged to avoid any possible "conflict of financial interests." If Strauss' nomination is approved by the Senate—and no one doubts that it will be—as ambassador he will receive a wage of \$115,300 per year.

Be that as it may, Strauss clearly has a lot to learn. His experience is from a "different world." In a delicate sphere like Soviet-U.S. relations, you cannot do things in a hurry.

China

Khabarovsk Shipyard Cooperates With China

OW3007064891 Moscow Radio Moscow in Mandarin
0900 GMT 29 Jul 91

[Text] The leaders of the Khabarovsk Shipyard have established contacts with great prospects with the Dalian Shipyard and the Heilongjiang Ship Repairing Plant. The following is a report by station reporter (Koputon) in the Far East:

The Khabarovsk Shipyard has been engaged in building ships for military use since its establishment. The products of the shipyard include minesweepers [fan lei jian chuan]. The plant was in good economic condition for many years; however, as a result of shifting military production to civilian production, the state has canceled subsidies. The staff members and workers were forced to take care of their own fate. How should the plant change production? Where can the plant find funds? It is a difficult thing to change from producing military ships to things for civilian use. Despite all those difficulties, the plant has shifted 80 percent of its production to consumer goods and ships for civilian use. The development of foreign trade, for instance, the cooperation in trade with China, has played a great role.

Please listen to an introduction by (Lart), director of the Khabarovsk Shipyard. [Recorded in Russian, fading into Mandarin translation] He said: I have visited the Dalian Shipyard and the Heilongjiang Ship Repairing Plant. The Dalian Shipyard is a modern enterprise with a very high level of production technology. The plant accepts orders for its products from many countries. I attended a ceremony for launching a Swedish ship built by the shipyard. That was a very fine ship. In comparison, the Heilongjiang Ship Repairing Plant is lagging behind the need of development. Therefore, if we develop cooperation with that plant, there is a good opportunity to do so. The plant will be able to greatly raise its technological level as a result of cooperation with our plant. Presently, we are making plans for cooperation on several items with Chinese enterprises. One of the points of the plan is to cooperate with the Heilongjiang Ship Repairing Plant for building a shipyard there to produce speedboats for Chinese domestic markets and countries in the Asia-Pacific region. Cooperation will benefit both sides and will establish a good foundation for us to develop long-term cooperation. At the same time, at the request of the Chinese experts, our plant will produce things that are in great demand in both countries. Besides, our cooperation will also have benefits in other aspects. The Khabarovsk Joint Construction Enterprises is presently reduced in strength, and housing construction of the

Khabarovsk Shipyard has stopped. Beijing's China Construction Corporation, which has built construction projects in 45 countries in the world, responded to our proposal. We have asked the corporation to design a residential area with 2,500 housing units and hope that the draft plan can be implemented by the end of this year. We have selected a place with wonderful scenery near the Amur River. The residential area will be very convincing proof of the benefits of cooperation between our two countries. We also hope that our neighboring country will, to a certain extent, help us solve our present food supply problem. One of the plans is to invite some Chinese farmers to come to the Soviet Union.

In trade cooperation with China, the form of payment is a major problem. It must be solved to implement various trade agreements. The director of the Khabarovsk Shipyard (Lart) has spent two years to solve this problem. The Khabarovsk Shipyard has mutually agreed on this matter with the Heilongjiang Motor Vehicle Import-Export Corporation, which is mainly dealing with the Soviet Union in trade matters. Both sides signed an agreement involving a total amount of 4 million renminbi. According to the agreement, the Khabarovsk Shipyard will sell a large number of speedboats and use the income to solve problems of the shipyard which should be solved as quickly as possible and continue the effective agreement with the Chinese side.

Taiwan Companies Join Business Foundation

OW2507065591 Moscow INTERFAX in English
1800 GMT 24 Jul 91

[Following item transmitted via KYODO]

[Text] Over 100 companies from Taiwan have decided to join the non-governmental Foundation for Business set up at the initiative of the Soviet Union of Science and Industry (SUSI). The Union has held a series of talks with leading firms in China, South Korea, Hong Kong, Malaysia, Thailand, Taiwan and Singapore.

Members of the foundation have started planning 30 cooperation projects, among them the modernization of the aluminum plants in Zaporozhye and Bratsk, the development of a space communication and launching system, the construction of hotels and a major trade center in Moscow, the exports of an impressive list of consumer goods to the USSR and the construction of shoes, clothes and electronics plants.

National and regional associations are set up in the framework of the foundation which is open to any economic associations and firms from the Far East as well as members of SUSI.

The supervising council of the foundation is led by the Vice-President of SUSI Aleksandr Vladislavlev. Its Soviet members include the President of the Soviet Foreign Policy Association Eduard Shevardnadze, the Director of the Institute of Market Problems Nikolai

Petrakov, the Vice-Mayor of Moscow Yuri Luzhkov and cosmonaut Vitaliy Sevastyanov.

Correction to Nazarbayev, Jiang Zemin Meeting

LD2307153191

The following correction pertains to the item headlined "Meeting With Jiang Zemin," published in the 15 July Soviet Union DAILY REPORT, page 19: Column two, third paragraph, first sentence make read; ...for Kazakhstan and Xinjiang. He thanked the... [replacing "Sichuan" with "Xinjiang"]

Northeast Asia

Soviet Patrol Detains, Releases Japanese Boats

OW2607113891 Tokyo KYODO in English 1016 GMT 26 Jul 91

[Text] Kushiro, Hokkaido, July 26 KYODO—A Soviet patrol boat captured two Japanese fishing boats Friday in waters off the Soviet-held Kunashiri Island, off the eastern tip of Hokkaido, Maritime Safety Agency officials said.

Nine fishermen were on the ships—the No. 1 Kokusei Maru and the No. 58 Kotobuki Maru, both 4.9 tons.

They said the Soviet boat captured the two vessels around 1 P.M., five hours after inspecting them in waters some 24 kilometers east of Kunashiri Island, an area the Soviet Union claims is within its territorial waters.

The Soviet Union has held Kunashiri Island along with Shikotan, Etorofu, and the Habomais since World War II.

The Japanese ships left their home port of Rausu in eastern Hokkaido early Friday.

Japanese Finance Minister's Trip Undecided

LD2607125691 Moscow TASS in English 1021 GMT 26 Jul 91

[By correspondent Aleksandr Kopnov]

[Text] Tokyo July 26 TASS—The question of a trip to Moscow by Japanese Finance Minister Ryutaro Hashimoto "remains open," an official spokesman for the ministry told TASS over the telephone today.

The spokesman said this in comment on Japanese media reports that the Japanese finance minister was unlikely to visit the Soviet capital in September this year together with his G-7 counterparts.

According to the spokesman, who asked not to be named, "no final decision on that score has been taken so far."

The KYODO TSUSHIN NEWS AGENCY reported on Thursday referring to a senior staff member of the

Finance Ministry that Hashimoto would probably not make a trip to Moscow because "it is inadmissible to go there for the sake of mere discussion."

Tokyo believes that it is unlikely that in the near future the Soviet Union will be able to meet the conditions that Japan regards as essential for the granting of financial aid to it.

Besides, the news agency pointed out that there is a problem of providing guarantees that Western technological aid to the Soviet Union would not be used for military purposes.

As Hashimoto himself said recently, Tokyo cannot begin to grant this kind of assistance to the USSR before this issue is settled.

Japanese Expert Says Soviets Want Change

OW2707030391 Tokyo KYODO in English 0144 GMT 27 Jul 91

[Text] Moscow, July 27 KYODO—Japanese enterprises will be reluctant to invest in the Soviet Union unless Moscow restructures its economic system more drastically, a Japanese expert said Friday in Moscow after a survey tour of the country.

Hisao Kanamori, chief of the Institute for Soviet and East European Economic Studies, said that he was impressed with the Soviet people's enthusiasm toward changing their military industry into civilian industry.

The Soviets, however, still are trying to carry out the shift as a partial restructuring with the existing military industrial structure intact, he said.

Kanamori said that despite the zeal for the industrial shift, the Soviet Union still lacks reasonable, practical ways of management and beginning new industries.

He said Japan now could offer the Soviets cooperation in helping train skilled engineers and banking staff.

He also had a positive view of a Soviet proposal to establish a Japan-Soviet, or multilateral, center to analyze and promote the shift away from military industry.

Kanamori gave his assessment of the present Soviet economy in a press conference after a fact-finding visit to study the move to rebuild the military industry into civilian-demand businesses.

He led a Japanese team of private-sector and government experts, which also was joined by officials of the U.S. State and Defense Departments.

The tour sites included a factory in the Urals that recently has begun producing electric washing machines along with artillery.

Japanese Experts on Change of Defense Industries

OW2907052591 Moscow INTERFAX in English
1800 GMT 26 Jul 91

[From the "Diplomatic Panorama" feature; following item transmitted via KYODO]

[Text] A team of Japanese experts who specialise in matters dealing with converting defence-related industries, now in the Soviet Union, had a meeting in Moscow on Thursday with the deputy chairman of the government commission for military-industrial affairs, Mr. Yuriy Antipov, and other Soviet officials from defence, foreign affairs and foreign trade ministries.

Officials of the foreign ministry's department for world economic relations told an IF [INTERFAX] correspondent the meeting was business-like. Japanese visitors who are now back from a tour of the cities of Sverdlovsk, Perm and Bereznyaki said they had first hand information that the process of conversion in the Soviet Union was becoming a reality. The Soviet side proposed a number of joint projects and suggested that a special commission must be set up to define the precise areas of conversion. For their part, the Japanese raised doubts about the feasibility of such projects because of the inconvertibility of the ruble. However they were given detailed information about government allocations for converting military industries to civilian production.

The Japanese team, which also includes two U.S. State Department officials, is in the Soviet Union on the invitation from the Perm District Council Executive and has been on a tour of the cities of the Greater Urals since July 19. In Moscow, the team held meetings both on central and republican levels.

Prospect of Japanese Economic Aid Analyzed

PM3007101391 Moscow PRAVDA in Russian
26 Jul 91 Second Edition p 4

[Vsevolod Ovchinnikov "Viewpoint": "Tokyo: After London"]

[Text] Before the London meeting of the G-7 it was stated more than once that, of all its participants, Japan is best able and least willing to offer financial assistance to the Soviet reforms. Although this statement is true in many respects, it would be wrong to assume that Tokyo is to blame if a golden rain of credits does not pour down on our country.

In actual fact, in order not to be at loggerheads with the other members of the G-7, Japan has substantially softened its stance regarding the Soviet Union, making support for perestroika dependent on a number of conditions: the start of a real transition toward the market, an end to assistance to "communist regimes," cuts in military expenditure, and the extension of the policy of new thinking to Asia and the Pacific region, which, in Tokyo's interpretation, means resolving the problem of the "northern territories."

However, in London, in contrast to Houston, the Japanese no longer insisted on the inclusion of their territorial demands in the political declaration. They were entirely satisfied with the following formulation: "We believe that the new thinking in Soviet foreign policy which has done so much to relax East-West tension and strengthen a multilateral security system and peace should be applied on a global basis. We hope that this new spirit of international cooperation will be displayed as fully in Asia as it is in Europe."

According to Prime Minister Kaifu, the final document of the London meeting urges the "opening up of new prospects in cooperation with the USSR." There is clear evidence, in my opinion, of a shift of emphasis. And although the notorious "territorial question" continues to hamper the development of bilateral relations, it would be wrong to assume that it will completely paralyze them.

Tokyo has already taken specific steps toward implementing the London accords. According to Professor Tadao Morimoto, Japan and Western countries should, above all, provide large-scale technical and financial assistance for the modernization of the USSR's petroleum and gas industry. Such assistance, he believes, would be by no means an act of charity, but a way to forestall a global energy crisis. The USSR possesses the biggest energy resources in the world and is a leading exporter of petroleum and gas. However, extensive methods of extracting these resources have virtually been exhausted, and obsolete equipment makes it impossible to effectively exploit existing deposits. If the decline of petroleum extraction in the USSR is allowed to continue at the present pace, Morimoto claims, the country will change from an exporter of liquid fuel to an importer of this fuel in a matter of a few years. This will unquestionably disrupt the prevailing balance on the world petroleum market and bring about a leap in prices which would be undesirable for Japan.

Judging by appearances, this viewpoint is gaining more and more supporters. This is borne out by the plan to set up an "Asian energy community" drawn up by group of major Japanese companies with the assistance of government departments. This international project envisages the construction of a gigantic gas pipeline linking the Soviet Far East with Southeast Asia. The pipeline, more than 26,000 km in length, would run from the deposits in Yakutia and Sakhalin via Japan, the Korean Peninsula, China's maritime provinces and Taiwan to another major energy resource exporter—Indonesia—and on to Australia. This would make it possible to create an integrated natural gas supply system to dynamically developing states in Asia and the Pacific region, involve the Soviet Union and its natural resources in mutually advantageous economic exchanges, and diversify Japan's energy supply sources.

In order to facilitate the implementation of this program, the Japanese "Shin Nihon Seitetsu" metallurgical concern and 15 other major companies have set up a

"research council for the construction of a transcontinental pipeline to transport natural gas."

Preparations have also been stepped up with a view to the implementation of a number of long-standing plans. One of them, valued at \$2.5 billion, concerns the development of petroleum and gas deposits on the Sakhalin shelf. Two others—envisaging the construction of a \$2.2 billion petrochemical combine in Tobolsk and a project valued at more than \$10 billion for the development of gas deposits in Yakutia—envisage the participation of both Japanese and U.S. companies.

Another form of assisting Soviet reforms is the rescheduling of debt repayments, which can take several forms. The Japanese Export-Import Bank may repay Soviet enterprises' and organizations' debts which fall due this year. Or change these debts into shares which it underwrites. A plan for state insurance of trade and investment deals with the Soviet Union has also been drawn up. According to Japanese press reports, official circles in Tokyo have also examined the possibility of indirect assistance to Soviet reforms via third countries by providing targeted credits earmarked for the expansion of exports to the USSR and intensifying other forms of trade and economic cooperation with the USSR.

The third type of efforts in support of perestroika is the conversion of the defense industry. The Japanese Government has dispatched to the USSR a group of experts who have visited military enterprises in Sverdlovsk, Perm, and Berezniki with a view to facilitating the switch of these enterprises to other types of output. The possibility of indirect funding of the process of conversion via credits for the delivery to the USSR of industrial equipment for the production of consumer goods is being studied.

The Japanese Government has outlined a number of specific measures to assist reforms in the USSR already in the current year. According to a KYODO report, it is planned before the end of the summer to sign an agreement for a \$100 million credit for food purchases in Japan by the Soviet Union. As you can see, it would be incorrect to describe Japan's stance in London regarding cooperation with the USSR as unequivocally negative. It was undoubtedly influenced by the results of the Soviet-Japanese summit in Tokyo which took place three months earlier. And so assistance to reforms in the USSR will come from both the West and the East.

Aid To Hinge on Union-Republic Relations

*PM2907090991 Moscow IZVESTIYA in Russian
25 Jul 91 Union Edition p 1*

[From IZVESTIYA, TASS, INTERFAX, RIA, REUTERS, AP, and POSTFACTUM roundup: "Tokyo Sets Conditions"]

[Text] Japanese Finance Minister R. Hashimoto has stated that the Japanese Government will be unable to

make a definite decision about giving the USSR technical aid until the Soviet Union specifically settles the problems of relations between the center and the republics. Speaking at a Tokyo press conference, the minister said that many points were unclear to him—including, for instance, the problem of the distribution of taxes and debt obligations between the Union and republic authorities.

Commentator Views Japan-DPRK Talks

*SK3007102691 Moscow Radio Moscow in Korean
0900 GMT 22 Jul 91*

[Article by commentator (Yagov) on the fourth round of talks between Japan and the DPRK on normalization of bilateral relations to be held in August in Beijing]

[Text] For the first time, delegations of the Japanese and DPRK Governments held a meeting in January of this year to discuss establishing diplomatic ties. At that time, many observers said that normalization of Moscow-Seoul diplomatic ties caused the suspension of the meeting.

At the their first meeting, the delegations of both sides showed their position that the talks would not be easy, but they passionately discussed issues such as Japanese compensation for its colonial rule over Korea and nuclear facilities in North Korea.

At the last talks, Tokyo called on Pyongyang to provide information about a Japanese woman who was kidnapped by North Korean agents several years ago. Because of this, the dialogue was completely suspended on a sharp note.

In the Tokyo-Pyongyang talks, we cannot expect any result. Not only the cold war which existed for decades, but also Japanese colonial rule over the Korean peninsula turned their bilateral relations dark. Accordingly, we should not overlook [word indistinct].

In addition, Tokyo should take the opinions of Washington and Seoul, its allies, into consideration. And it should coordinate the speed of the development of the Tokyo-Pyongyang talks with the speed of the development of the dialogue between the North and the South.

I cannot help pointing out that many changes have occurred since the last Japan-DPRK talks were held this year. For example, the two sides of Korea have agreed to resume dialogue which broke down in February. In addition, in September, the two Korean governments are to enter the United Nations.

The International Atomic Energy Agency [IAEA] said some time ago that it had initialed an agreement with the DPRK on inspection of the nuclear facilities in North Korea.

Until now, Pyongyang has said that it will sign this agreement after the withdrawal of U.S. nuclear weapons from the southern part of Korea. Then, is it possible for

the DPRK to change its position on (? nuclear inspection) ? It is certain that the issue of nuclear inspection should be discussed in talks between Japan and North Korea. This is because it is the firm position of Japan that it would hold dialogue with Pyongyang only when the issue of nuclear inspection with the IAEA is positively resolved.

South Invited To Invest in DPRK

*SK2907050791 Moscow Radio Moscow in Korean
1330 GMT 28 Jul 91*

[Text] According to an AFP news report today from Pyongyang, the DPRK is expected to establish a special economic zone in the port of Chongjin and has invited ROK businessmen to invest in this plan.

The United Nations Development Plan [UNDP] in Pyongyang, the only UN organization that has representation in the capital city of North Korea, will support the economic zone.

Chongjin is about 100 km away from the confluence of the borderlines of the DPRK, the Soviet Union, and China.

The first of its kind barter trade since the war ended has become another evidence of economic ties between the South and North.

A ship carrying 5,000 tons of rice has left the South to sail to North Korea where the rice will be exchanged for coal and cement.

Report on Soviet-Korea Friendship Association

*SK2907150491 Moscow Radio Moscow in Korean
1330 GMT 22 Jul 91*

[Article by station reporter (Vez Zuski) on the 33th anniversary of the founding of the Soviet-Korea Friendship Association from "Various Aspects of Cooperation" program]

The activists of the Soviet-Korea Friendship Association of the Yalta International Marine Club, social figures, and Soviet mariners who sail for the DPRK held an outdoor meeting in the city of Yalta. The people who made speeches at the meeting emphasized: Soviet people will constantly support the Korean people's struggle for the peaceful reunification of the fatherland and the withdrawal of the foreign troops from the ROK. In addition, they said that the association's activities would contribute to strengthening the relations between the two countries in all fields and would help the Soviet people understand the life, history, and culture of the brotherhood country.

For more than 34 years, the Soviet-Korea Friendship Association has been developed to the level of a mass-oriented social organization, composed of a large

number of Soviet people. Branches of the association are found in many republics in the USSR and in Primorskiy Kray.

The participants of the meeting toured the exhibition, entitled "Make the Chollima Country Succeed." Czechoslovak pictures in the exhibition show the cooperation between the USSR and DPRK in economy, science, and culture. A special section of the exhibition shows the relations between (Kremia) and the DPRK workers in fisheries, trade, and navigation.

On occasion of this significant day, an exhibition of creations made by Korean students was shown at a camping ground of the International Juvenile Corps, where the students had rested last year.

Various events related to the 33th anniversary of the founding of the Soviet-Korea Friendship Association were held at the branches of the association and the primary organizations in the cities of the (Kremetasin).

Obminskiy Receives Mongolian Ambassador

*PM2607132791 Moscow IZVESTIYA in Russian
24 Jul 91 Union Edition p 5*

[TASS report under general heading: "Official Reports"]

[Text] E.Ye. Obminskiy, USSR deputy foreign minister, received N. Mishigdorj, Mongolian ambassador to the USSR, 23 July. During their talk topical problems of international economic relations were discussed.

Southeast Asia & Pacific

Merdeka, Novosti Sign Cooperation Agreement

*BK2507105391 Jakarta MERDEKA in Indonesian
16 Jul 91 p 1*

[Text] Jakarta, Monday, MERDEKA—Albert I. Vlasov, director of the Novosti Board of the USSR, received B.M. Diah, Herawati Diah, and Supeno Sumarjo from the Merdeka Group at his office in Moscow on 21 June 1991.

On this occasion, they discussed cooperation between the Merdeka Group and Novosti in the field of information, news exchange, publication, tourism, and arts and culture.

Following the talks, P.T. Sarana Inti Merdeka of the Merdeka Group and Novosti signed a memorandum of understanding at the Novosti Office in Moscow on 28 June 1991. The Merdeka Group was represented by Supeno Sumarjo, director of O.T. Sarana Inti Merdeka, while Yevgeniy Rumyantsev, deputy director of the Novosti Board, signed the agreement on behalf of Novosti.

Both B.M. Diah as chairman of the Merdeka Group and Albert I. Vlasov, who is director of the Novosti Board as well as an assistant to President M. Gorbachev, believed

that relations between Indonesia and the USSR, particularly in the economic, trade, and cultural fields should be enhanced through cooperation in the field of information. Both Indonesia and the USSR need to exchange information in the economic and trade fields. Bilateral relations have been further enhanced following President Suharto's visit to the USSR where he held talks with President Gorbachev.

The main objectives of cooperation between P.T. Sarana Inti Merdeka of the Merdeka Group and Novosti are to enhance economic, trade, and cultural cooperation between the USSR and Indonesia and Southeast Asian countries in particular and the Asia-Pacific countries in general. This was explained by Supeno Sumarjo in Jakarta today.

He said further that the two countries needed to better know not only each other's products but also each other's arts and cultures through mutual visits, as part of tourism development to enhance economic and trade relations.

This cooperation agreement will be implemented on a commercial basis.

Some parts of the cooperation agreement are to be implemented in August or September 1991.

Novosti will publish Russian-language magazines for distribution throughout the USSR, the contents of which will, among other things, introduce Indonesian development, export products, tourism, and culture in particular, and those of Southeast Asia in general. On the other hand, the Merdeka Group will publish magazines in Indonesian and English to introduce, among other things, the economies and products of the USSR in particular and Eastern Europe in general. The English-language magazines are expected to be distributed in Southeast Asian countries in particular and the Asia-Pacific region in general.

The cooperation agreement between Novosti and the Merdeka Group also covers film and video movies to be broadcast over television, news, features, advertisements, economic and trade fairs, and other commercial activities. Information will also be exchanged through workshops, seminars, and other meetings bilaterally as well as multilaterally.

In the meantime, Yevgeniy Rumyantsev, deputy director of the Novosti Board, said that there are various information facilities such as audiovisual and printing equipment at the Moscow office. Some 4,000 employees are working at the office. Novosti has branch offices in more than 100 countries—Eastern Europe, Western Europe, the United States, Latin America, Asia, and Africa. Novosti gathers news reports from all over the world via telex, facsimile, and telephotos. Novosti publishes bulletins, magazines, and books. In addition, it also conducts audiovisual activities. For promotional

purposes, Novosti has entered into information cooperation agreements with various countries such as Western Europe, the United States, and India.

Commentary Hails Soviet ASEAN Presence

*BK2607113591 Moscow Radio Moscow in Indonesian
1300 GMT 25 Jul 91*

[Commentary by Aleksey Kondratyev]

[Text] The ASEAN foreign ministers meeting has ended in Kuala Lumpur. A Soviet delegation led by Soviet Deputy Prime Minister Yuriy Maslyukov attended for the first time the inauguration of the meeting. What were the results of the first participation of guests from Moscow in Kuala Lumpur? Here is the opinion of Radio Moscow observer Aleksey Kondratyev.

In my opinion, the first participation has brought concrete results. According to observers, the hosts and guests were equally satisfied. ASEAN foreign ministers were able to get first-hand information on reforms which had been and were being undertaken to move the Soviet economy toward a market system. I think they are convinced that obstacles standing in the way of the development of full-scale economic relations between the ASEAN countries and the Soviet Union will inevitably be removed. In addition, ideological obstacles have already been removed. Several ASEAN representatives have noted this. There has been a clear potential for the development of such relations. The huge potential is in practically all areas of relations between the countries, including the trade, economic, scientific, and technological fields.

I would like to give only one example of these developments. The Soviet delegation visited Malaysia and Indonesia following the Kuala Lumpur conference. During talks in Jakarta, there were clear prospects for Indonesian-Soviet cooperation in environment protection, space research, exploitation of sea resources, transport, remote sensing, fishery, processing of agricultural products, and other areas. Because of this, I view as very logical the ASEAN foreign ministers' decision to continue dialogue with Moscow during their next meeting in Manila next year. Simultaneously, bilateral relations between the Soviet Union and ASEAN member countries will be naturally developed. This was agreed upon, among other things, during the Soviet-Malaysian and Soviet-Indonesian talks. In short, all delegates were convinced during the Soviet-ASEAN dialogue which started in Kuala Lumpur that economic cooperation would undoubtedly bring about mutual benefits and have favorable prospects.

However, I think the results of this cooperation will not be limited. In my opinion, the contacts between the ASEAN foreign ministers and Soviet representatives have enhanced mutual understanding of the fact that Soviet peace initiatives for the Asia-Pacific region conform with the objectives of the foreign policies of the

ASEAN countries in the region. The Soviet Union supports the ASEAN concept of turning Southeast Asia into a zone of peace, freedom, and neutrality and a nuclear weapon-free zone. Events themselves have prompted Asia-Pacific countries to take political steps to create an atmosphere of peace, security, and cooperation in the region.

Commentator on Philippines Base Negotiations

LD2707044991 Moscow Radio Moscow World Service
in English 2210 GMT 26 Jul 91

[Text] It was reported recently that after talks between the United States and the Philippines an agreement was reached to extend the American military presence in that country. But now calls are being made in Manila to renegotiate the agreement. More from our commentator Aleksey Nikolayev.

Notably this idea has the support not only of the irreconcilable objectors to the American bases, but also those who link their presence in the country with hopes for economic security of the Philippines. The main disputes on the issue are reported from the Filipino Senate, which is understandable. In keeping with the constitution it is the Senators who have the right to ratify international agreements by a two-third majority vote. However, according to the Filipino press, today 16 of the 23 senators are inclined to reject the agreement with the United States in its present shape.

I may remind you that under the agreement the United States should keep for itself for another 10 years the Subic Bay Naval Base on the Philippines in exchange for a compensation to Manila of \$203 million a year. As President Corazon Aquino has declared, this is the best agreement her country could conclude in the present circumstances. However, far from all Filipinos agree with that. The objectors say the compensation is too small and also point out, which is important, that the agreement leaves loopholes for the deployment of nuclear arms on Filipino territory. The point is that, as it follows from the agreement, the Americans don't regard dutybound to ask for the consent of the Filipino Government for the docking of ships with nuclear arms aboard at Subic Bay. Moreover, this should not be viewed as presence of nuclear weapons on the Philippines, which is forbidden by the country's Constitution.

However, the financial and economic aspect is now still the main one in the disputes about the naval base deal. The foreign minister of the Philippines, Raul Manglapus, believes that the terms of the agreement with the United States are advantageous for his country. As I have already said, writes Aleksey Nikolayev, President Corazon Aquino also feels that way. She is going to try to persuade the objectors by arranging personal meetings with individual senators, and if that attempt fails she will appeal to the people.

It seems the Americans too are getting ready to condition the Filipino public. A warning was made at a meeting

with the Filipino senators by the United States ambassador to Manila, Nicholas Platt. His warning amounts to this: Either you endorse the deal and everything is OK, or get ready for economic sanctions by the United States.

On the one hand, attempt at such pressure will inevitably increase the anti-American sentiments still further, but on the other, emotions apart, sanctions against the Philippines are a highly serious thing, considering the present economic plight of the republic.

Near East & South Asia

Israeli Diplomat Discusses Middle East Issues

OW2907053291 Moscow INTERFAX in English
1800 GMT 26 Jul 91

[Diplomatic Panorama interview with Yosef Ben-Dor, member of the Israeli Consulate General in Moscow; date and place not given—item transmitted via KYODO]

[Text] Israel advances no preliminary conditions for the future talks on a settlement in the Middle East, said Yosef Ben-Dor, prominent member of Israel's Consulate General in the USSR. In an interview for DP [Diplomatic Panorama] he dwelled in detail on Israel's attitude to a settlement in the Middle East.

Assessment of the role played by the U.S.

According to the diplomat, Israel highly appreciates efforts exerted by the U.S., particularly by the Secretary of State J. Baker, to settle the Middle East conflict. The U.S. has played a constructive role and done painstaking work in connection with the slow movement toward resolving the conflict, he said.

Assessment of the stand taken by the Arabs

With reference to Israel's attitude to changes in a approach of Arab states that are potential participants in a peace conference on the Middle East the diplomat said that it's premature to come to definite and concrete conclusions yet. Nevertheless it's clear that fresh winds are blowing in the region, he went on to say.

According to Y. Ben-Dor, if the report that Syria is prepared to enter into direct talks with Israel is confirmed, this will undoubtedly mean a substantial change in the Arab stand capable of breaking the deadlock in the cause of settlement. In the past 43 years only one Arab leader, Anwar Sadat, dared to talk with Israel directly, the diplomat noted. He managed to gain peace, and paid for it with his life.

Israel has always proceeded from the assumption that the only way to resolve all problems in the region is talks, he said. The diplomat said he hopes that the Arab countries are as interested in peace as Israel is. This makes prospects for achieving a settlement in the region quite real.

Exchange in confidence-building measures

With reference to the willingness of some Arab countries, such as Egypt and Saudi Arabia, to suspend, by way of exchanging confidence-building measures, their economic boycott of Israel, should the latter suspend its endeavours to build settlements in the occupied territories, Y. Ben-Dor reverted to history. Until recently, he said, the Arab world denied Israel the right to exist, having declared a holy war on it. Economic boycott was one of its forms. It spread not only to Israeli firms, but also to international companies led by Jews as well as to businesses that had trade contacts with Israel. For instance, because of such contacts the Coca Cola company had no access to the market of Arab countries, said Y. Ben-Dor.

In the past few years the boycott began to break down for economic considerations, the diplomat went on to say. If Arab countries are prepared to give it up altogether which will signify a change of their entire philosophic concept (that is Israel's right to exist will be recognized), this, according to the diplomat, would be a very positive step.

To link this issue to an end to the building of Israeli settlements in the disputed territories of Judea, Samaria (as the Israeli diplomat referred to the West Bank) and Gaza Strip is inexpedient in his view. According to him, Israel intends to discuss the problem of settlements at the talks on the status of these territories, and advances no preliminary conditions for such talks. Y. Ben-Dor said he is confident that if all the sides display goodwill, a solution will be found to this problem too.

The issue of Palestinian representation

According to the Israeli diplomat, the question of Palestinian representation at a peace conference on the Middle East is the only obstacle to convening it. Israel's final answer to the invitation to join such a conference depends on solution to this issue. According to the diplomat, Israel is sincerely interested in resolving this problem too. Witness its suggestion that Palestinians from the disputed territories should elect their representatives to join the peace process.

Attitude to the idea of a joint Jordanian Palestinian delegation

The Israeli diplomat described as undoubtedly positive the idea of a joint Jordanian-Palestinian delegation to a peace conference on the Middle East. Before 1967, he said, the disputed territories were under Jordan's control. Ties in the area of culture, education and health care between Palestinians and Jordan still exist. More than 60 percent of Jordan's population are Palestinians who have Jordanian citizenship. So the very idea of a joint Jordanian Palestinian delegation looks quite expedient, Y. Ben-Dor concluded.

Attitude to the Soviet policy

According to the Israeli diplomat, along with the U.S. the Soviet Union can play a positive role in the future peace process. However, he said, in order to be a mediator between the conflicting sides the USSR should have direct relations with all of them. In this connection Y. Ben-Dor said he hopes that relations between Israel and the Soviet Union will be fully restored. According to him, this would be in full keeping with the policy of new thinking followed by the USSR.

Yanayev Receives Israeli Agriculture Minister

PM2607131791 Moscow IZVESTIYA in Russian
24 Jul 91 Union Edition p 5

[TASS report under general heading: "Official Reports"]

[Text] USSR Vice President G.I. Yanayev received R. Eytan, Israeli minister of agriculture, 22 July.

Palestinian Head Appraises Soviet Relations

LD2707172191 Moscow Radio Moscow in Arabic
1400 GMT 26 Jul 91

[Text] We have previously announced in Moscow that the delegation of the Palestinian National Council [PNC] is on official visit to Moscow. Its agenda provides for a meeting with members of the Soviet parliament in coordinating the position on the Palestinian question, and the Middle East question in general.

The view has become widespread in some Arab quarters that Soviet policy toward the Middle East in the 1990's has undergone some changes in comparison to the period of the 1970's. Our correspondent Oleg Nikolayev asked Professor Ibrahim Abu Lughud, head of the Palestinian delegation, to appraise this view.

[Begin Abu Lughud recording] I do not believe that the Soviet position on the Middle East problem is different from what it was before. The Soviet Union has since 1967 been supporting the peaceful resolution of the Arab-Israeli conflict, on the basis of withdrawal of Israeli forces from the occupied Arab regions and the termination of the state of war between the two parties, within the framework of international legitimacy. This position of the Soviet Union is a firm position.

What is new in this matter is that it is the first time really that the Soviet Union is acting internationally, in collaboration with the United States, which has in the past supported a resolution on the basis of international legitimacy, but was not working seriously for finding this solution. What is new in the matter is that there is U.S.-Soviet cooperation to expedite the peace process on the basis of negotiations between the parties to the conflict, within the framework of international legitimacy. Hence I do not find a difference in the position of the Soviet Union toward the finding of a just solution to the Middle East problem.

With regard to the Palestinian issue, the Soviet position has always supported the right of the Palestinian people to self-determination. It has always supported and consulted with the Palestinian people, and the Soviet position is constant with regard to the necessity of the withdrawal of the Israeli Army from the West Bank and the Gaza Strip, within the framework of Resolutions 242 and 338.

But it may be very useful to remember that the Palestinian position has also changed during the previous period. The PLO position, especially after the national congress in Algiers, and after the declaration of the state, stressed the legitimacy of all international resolutions, including the existence of a Palestinian state in the West Bank and the Gaza Strip, alongside Israel. Consequently, what the commander in chief, Mr. Yasir 'Arafat, president of the State of Palestine, said in Geneva in response to the United States' demands from the PLO, and when consequently the United States began the dialogue with the PLO, this position was in harmony with the traditional Soviet position. The Soviet position now still urges the Palestinian people and its organizations to enter into the peace process.

Now we are facing a position which may be an important and very sensitive position—in other words if U.S. policy, due to international pressure, is serious in finding a way of bringing the Palestinians and the Israelis together, within the framework of the international conference. I believe the question of the Palestinian representation is of great importance in this conference. Now discussions are taking place among all the sides on the form of this representation. But what is beyond doubt is that the PLO is the sole legitimate representative of the Palestinian people, and the brothers in Jerusalem who negotiate with Mr. Baker, negotiate with him on behalf of the PLO. [end recording]

This was the answer of Ibrahim Abu Lughud, head of the PNC delegation which is presently in Moscow, to our correspondent's question on the state of Soviet-Palestinian relations.

Possible Yeltsin-'Arafat Meeting Upcoming

*LD2907164191 Moscow Radio Rossii Network
in Russian 1345 GMT 29 Jul 91*

[Text] Boris Isayev, deputy chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, today received a parliamentary delegation from the PLO, which is in our country at the invitation of the union parliament. The head of the Palestinian delegation told a correspondent for the Russian Information Agency that a meeting between Palestinian president 'Arafat and Russian President Boris Yeltsin may possibly be discussed.

Kryuchkov Comments on Afghan Border Bombing

*LD2707123291 Moscow TASS International Service
in Russian 1101 GMT 27 Jul 91*

[By correspondent Nina Merezchnikova]

[Text] Dushanbe, 27 Jul (TASS)—According to Vladimir Kryuchkov, chairman of the USSR Committee for State Security, the tragedy of Namadguti-Poen village on which bombs from an Afghan air force plane on 4 June, will not be repeated. In answer to questions from a group of Tajiki people's deputies of the Union parliament about the incident on the Soviet-Afghan border, he stressed that additional measures have been taken in order to increase interaction between the border troops and the anti-aircraft defense units. The text of this document has been published in the COMMUNIST OF TAJIKISTAN newspaper.

Vladimir Kryuchkov announced that the circumstances of the incident were carefully studied by a special commission of the Tajik Soviet Socialist Republic KGB and the Central Asian border troops directorate of the USSR KGB. It established that the border patrol, which was at the distance of 15 kms from the scene of the tragedy, registered a border violation by an Afghan aircraft, and reported this to a special air defense unit. But by the time the servicemen of this unit began taking action, the bombing had already taken place. The aircraft remained over the USSR territory 4-5 minutes.

Quoting an article from the USSR law 'On USSR state borders', Vladimir Kryuchkov said that defense of the state borders' air space is entrusted to air defense troops, which are provided with special technical equipment. The USSR KGB border troops units act only as auxiliary observation posts.

However, according to the Tajik parliamentaries, the answer does not provide a guarantee of absolute safety of the air space in the region of the Soviet-Afghan border. It is planned to hear reports from commanders of the Central Asian border troops directorate about the June incident at the nearest Supreme Soviet session. Air defense Troops Command representatives will also be invited.

Progress Toward Afghan Settlement Assessed

*PM2907160391 Moscow PRAVDA in Russian
20 Jul 91 Second Edition p 7*

[Special correspondent Vadim Okulov "View From Kabul": "What's Cooking in Afghanistan?"]

[Text] In that cold February of 1989, when the last Soviet subunits were pulling out of Afghanistan, I often asked acquaintances in Kabul how they felt events would develop in the country. Their usual reply was: That depends on you—the Soviet Union and the United States.

Much has changed since then—in this region of Asia and in the world as a whole. The same question usually meets with a different answer now: The political settlement of the situation in the country is primarily an internal, Afghan process.

Attempts by the United States and its allies in the region to topple the Kabul regime—which, for propaganda purposes, they have declared to be Marxist—have led nowhere. Since the Soviet troop withdrawal from Afghanistan, U.S. strategy in the Afghan conflict has rapidly become outmoded. Attempts to overthrow President Najibullah's government have been unsuccessful. The balance of opposing forces has stayed the same for two and a half years and, moreover, the government has strengthened its position.

The departure of cold war methods from the arena of world politics and the superpowers' move away from confrontation toward collaboration and cooperation have intensified the world public's attention to regional conflicts and its desire to eliminate them one after another as factors destabilizing the situation in the world.

I think U.S. and Soviet interests have come much closer together with regard to the Afghan conflict. Of course, the United States still does not want a regime in Kabul that, despite obvious changes, it is inclined to regard as Marxist. But it also has no great liking for Islamic fundamentalism, from which it has suffered so much in Iran.

Islamic radicals, whose claims to supremacy extend beyond their own country—into our Central Asia—are even less acceptable to us. The USSR has an interest in creating an atmosphere of stability in this neighboring country. Only then will it be possible to fully realize our considerable Soviet-Afghan economic interests.

The aforementioned circumstances have brought the external forces involved in the Afghan regional conflict substantially closer to the consensus mentioned in a recent statement by the UN secretary general. It sets out the basis for a political settlement in Afghanistan, for which accord is needed at national and international level. Javier Perez de Cuellar has urged all Afghan leaders to end the war.

The reaction to the UN secretary general's plan outside Afghanistan has been generally positive. The situation is much more complicated among the Afghan forces than it is with the external forces. The question of the participants in the inter-Afghan dialogue, the nature of the transitional period, and the shape of the transitional mechanism that will guarantee the sides' participation in the elections is a stumbling block.

The government in Kabul has a platform for dialogue. In its opinion, representatives of all Afghan political forces, including moderate opposition groups, Islamic fundamentalists, and former King Zahir Shah, must sit down at the negotiating table. There must be a cease-fire by all

groups. The result of the talks would be the formation of a unified administrative organ capable of monitoring the cessation of hostilities and ensuring order in the country and the return of emigres. This mechanism would also be tasked with drafting a constitution and electoral law.

The opposition has no common platform for a political settlement. Moreover, the most radical, bellicose leader of the fundamentalists—G. Hekmatyar, leader of the Islamic Party of Afghanistan—has categorically rejected the UN plan. Several other opposition leaders are following suit.

Nevertheless, there is good reason to conclude from the UN secretary general's plan that there is now greater mutual understanding between the Afghans as a whole. According to the Kabul authorities, Perez de Cuellar's statement has the support of most of the opposition field commanders.

The three leaders of the moderate Peshawar groups—N. Mohammadi, S. Mojadeddi, and S. Gaylani—take a more flexible attitude than their radical colleagues. But many object to President Najibullah being in power during the transitional period. True, according to the Iranian press, the delegation of Afghan moderates led by S. Mojadeddi which recently visited Iran questioned the attitude of their interlocutors regarding the Afghan president, stressing that his departure would provide the impetus for further bloodshed in Afghanistan. Even the Americans tolerate the idea of Najibullah staying for the transitional period. One way or another, anyone familiar with Afghan realities understands that there must not be a power vacuum in Afghanistan during the transitional period or any other period, as that would have unpredictable consequences for the country.

I imagine the fundamentalists will place themselves outside the political settlement process. The most likely scenario is that representatives of the Kabul government, Zahir Shah, Peshawar moderates, and, apparently, representatives of nongovernment moderate forces in Kabul will sit down at the negotiating table. Various options are possible, as they say, but even this negotiation formula would advance plans for a peace settlement.

The comprehensive nature of the UN initiative reduces the importance of disputed points which have arisen in the course of Soviet-U.S. talks. In particular, the attitude to negative symmetry or, in other words, to ending arms supplies to the opposing sides. However attractive that idea may be, it is hard to put into practice. How can we monitor an end to supplies? It would be easy as far as the Soviet Union is concerned: Observers could be posted in the port of Hayraton, at the border station of Towraghondi, and at Kabul Airport, for example. But what about the numerous caravan routes along which arms and ammunition have been brought from Pakistan throughout the Afghan war? We have to consider that the problem would not be solved by a U.S.-Soviet accord: Pakistan and Saudi Arabia are among the main suppliers of arms to the Afghan opposition.

We should bear in mind that a political settlement, i.e. the division of power by peaceful means, is only one element in the stream of peacemaking efforts which, to the eye of the observer who has not been in Afghanistan since our troops withdrew, is now far broader than it was before. Nowadays armed opposition detachments essentially only launch combat operations when government forces encroach on their economic interests. A terrible war-weariness makes peasants fighting on either side literally "sit down on the ground." These people—and they form the overwhelming majority—are not interested in the division of power: They will support anyone who brings them peace and stability and gives them an opportunity to live their lives. For that reason, the inter-Afghan conciliation process is far ahead of the foreign policy settlement process.

A field of activity is springing up around the political settlement process. Benon Sewan, personal representative of the UN secretary general, has been testing the ground and clarifying attitudes in Kabul; this was followed by a similar mission in Pakistan. K. Jacobi, Swiss secretary of state for foreign affairs, has been on a visit to the Afghan capital. His statement that Switzerland is prepared to help Afghanistan with the organization of an inter-Afghan dialogue and that a political settlement of the Afghan problem is impossible without President Najibullah's participation is significant. It would be symbolic if Geneva—which, generally speaking, is where the process of working for a political settlement in the region began—were to be the scene of its conclusion.

Meanwhile, representatives of the opposition—on whom Afghanistan's future largely depends—are expressing all kinds of opinions on problems raised by the UN secretary general's plan. Who, for example, is authorized by Islamic law to take part in the elections, how the head of state should be chosen—in general elections or at the traditional Afghan supreme assembly, the Loya Jirga—and so forth....

Like Kabul pilaff, which contains many different ingredients, spices, and shades of flavor, the Afghan political scene is now a complex mixture of opinions, attitudes, and views. Will a political settlement be the end result? And how soon? We will wait a while before we make any predictions. Political gastronomy is a slow process, even when warmed by the flames of a long-standing war. We must be patient: With luck the dish will not burn.

Commentary on Impact of BCCI Scandal in Asia

LD2607094891 Moscow Radio Moscow World Service in English 2210 GMT 25 Jul 91

[Commentary by (Fasant Georgiyev)]

[Text] The scandal involving the Bank of Credit and Commerce International [BCCI] has also affected the Asian countries. Commentary by [Fasant Georgiyev].

First of all the scandal has harmed the interests of Asian depositors, since the bank had branches in many Asian

countries. In some the activities of the branches have been now suspended. Pakistan and several other South Asian countries are even considering giving local banks control of the branches; Sri Lanka has already done so. The Asian countries have expressed special concern about the bank's complicity in financing subversive operations, terrorism, illegal arms trade, (?elite) drug trafficking, and gold smuggling. All these were widespread in Asia—most drug smuggling from Southeast Asia to Europe goes through India and Pakistan. India has also become a big market for gold smuggling, and illegal arms trade, even in heavy weapons, flourishes at the Pakistani regions bordering on Afghanistan where Afghani refugees and the mojahedin armed forces have settled.

The extent of the BCCI involvement is a matter for further investigation, but one thing is clear, the bank had close contacts with intelligence service of the United States and other Western countries. These services had uncontrolled accounts in the bank valued in many millions. According to TIME magazine the bank was the connecting link between the special services and the Afghan opposition during the Afghan crisis. It had its headquarters in Pakistan at the time and it was in that period, according to the magazine, that the bank quickly extended its illegal activities.

So the Mystery of the Bank of Credit and Commerce International has far more serious consequences for the Asian countries than mere financial losses.

Commentator Views Iraqi Nuclear Problem

LD2907163191 Moscow Radio Moscow World Service in English 1210 GMT 29 Jul 91

[Text] On instructions of the United Nations the last, fourth, group of inspectors has arrived in Iraq from the International Atomic Energy Agency [IAEA]. It is to check all the data submitted by Baghdad about its nuclear research. Here is an opinion on the matter from our commentator Aleksandr Pogodin:

I would describe the situation as highly complicated and contradictory, writes Aleksandr Pogodin. As it is known, under a United Nations Security Council's decision, Iraq was supposed no later than last Thursday to have supplied full information about its research and development in [the] nuclear field. Some proportions of the data has already been supplied, but each time responsible experts noted that the data was incomplete and revealed installations Iraq conceals. These installations can start the manufacture of nuclear weapons. As for the allegation that Iraq already has such weapons, no serious suppositions have been made on this score. These are the facts in the situation.

However, suspicion that Iraq may intend to complete the technological development and start making nuclear bombs is voiced quite strongly. According to different experts' evaluations on this program, if Baghdad managed to complete it, would be carried out within half a

year or two years. In the view of one of the IAEA experts they (?have) already the equipment and the materials to start producing nuclear weapons on the territory of Iraq. It is now rather difficult to draw a clear line between the facts and the suspicion. However, if the suspicions are justified, action on Iraqi nuclear programs could lead to disastrous consequences.

These reasons have motivated the repeated threat by Washington to deliver a series of devastating bombing strikes on the Iraqi nuclear facilities. However, such a prospect is resisted by a number of countries that were recent allies of the United States in the anti-Iraqi coalition. And so the tonality of the official White House statements have changed somewhat. On Sunday President Bush noted that his country would not like to resume hostilities, though such an option remained, according to him.

As for Moscow, it still fully supports the corresponding United Nations Security Council resolutions and insists on unconditional action by Iraq on its pledge to fully reveal all the information related to its nuclear research. However according to a spokesman for the Soviet Foreign Ministry, the use of military force would lead to negative consequences outside the aims that are advanced as the motive for holding the military actions. And so, as Moscow believes, in the present circumstances the use of force would fail to win the broad support of the international community that was expressed when measures were taken to curb the Iraqi aggression against Kuwait.

Sub-Saharan Africa

Chamber of Commerce Visits South Africa

LD2907205591 Moscow Radio Moscow World Service in English 1630 GMT 29 Jul 91

[Text] A delegation of the Soviet Chamber of Commerce recently visited South Africa, and when it returned our correspondent met one of the delegates, Eldar Yanusov, and asked him several questions. The first was about the aim of the visit.

[Begin Yanusov recording in Russian with superimposed translation to English] The aim of our visit was, first, to get acquainted with the South African market, to find out what companies there are and what opportunities will open for trade and economic cooperation when sanctions are lifted. Our visit was very successful. We signed a basic agreement with three bodies—the South African Chamber of Business, Afrikaans Handelsinstituut, and the African National Federation of Commerce. [end recording]

About this agreement, Eldar Yanusov said:

[Begin Yanusov recording] The agreement stipulates cooperation in various areas—say the exchange of economic and commercial information, the exchange of delegations, the holding of symposiums and seminars

devoted to trade and other economic matters, help in organizing exhibitions, cooperation in protecting industrial property, the patenting of inventions, goods expertise, and consultative and other services. In short, the agreement lists all the services the Soviet Chamber of Commerce is prepared to render South Africa. In addition, we signed a separate protocol of cooperation with the South African Foreign Trade Organization, which promotes South African goods on the world market. We also signed an agreement with the South African Chamber of Mines, which is the spokesman for the whole branch. [end recording]

Whose interests does the Soviet Chamber of Commerce represent?

[Begin Yanusov recording] The Soviet Chamber of Commerce was founded in 1924, and has a membership of 7,000. These are primarily large industrial enterprises and associations, scientific research centers, and a great many cooperatives. We will represent their interests on the South African market. [end recording]

The Soviet Chamber of Commerce is not a government body, but since the sanctions have not been lifted yet, it must abide by them. So why did it send a delegation? Eldar Yanusov:

[Begin Yanusov recording] We had no intention of signing any specific contracts. We did not discuss trade now. We understand the Soviet Union voted for the sanctions, and we must abide by them. But the political process has started in South Africa that cannot be reversed, so the lifting of sanctions is just a matter of time. And since economic cooperation cannot spring up out of nothing, we must lay the ground in advance. This means we must study the South African market, and give South African companies an opportunity to get acquainted with ours. Then we will know each other better, and be able to cooperate when the sanctions are lifted. The agreement we signed in South Africa calls for the opening of a representative office of the Soviet Chamber of Commerce there. This we plan to do by the end of this year, so as to facilitate business contacts and information exchanges—in short, lay the ground for mutually advantageous cooperation in the future. [end recording]

Greetings Message on SACP Anniversary

LD2907175391 Moscow TASS in English 0752 GMT 29 Jul 91

[Text] Moscow July 29 TASS—The secretariat of the Soviet Communist Party (CPSU) Central Committee has sent a message of greetings to the Central Committee of the South Africa Communist Party (SACP) on the occasion of the latter's 70th jubilee.

"Decades of struggle in alliance with the African National Congress against the regime of apartheid, for the building of a new democratic society, in which every

person would enjoy equal rights and freedoms" are in the party's record, the message points out.

"The CPSU highly values the relations of friendship with the SACP and expresses hope that these relations will grow stronger," the message emphasises.

Seamen 'in Distress' in Nigeria

LD2907181391 Moscow TASS International Service
in Russian 1254 GMT 29 Jul 91

[By correspondent Sergey Petukhov]

[Text] Moscow, 29 Jul (TASS)—Vasiliy Lushchenko, chairman of "Rosrybkhoz", Russia's republican fisheries organization, told a TASS correspondent today that our main task now is to rescue the Soviet seamen who have found themselves in distress in Nigeria. Answering a question about the situation that has arisen in the Nigerian port following the death of one of the Soviet seamen as a result of sickness, he said that a representative of the organization, the general director of "Belgorodrybkhoz", flew out to Lagos this morning. He is to deal locally with the tragic situation which has arisen, find beds for the seamen who are sick in local hospitals, and in the event of need evacuate them to the Soviet Union.

Vasiliy Lushchenko says that the representative of "Rosrybkhoz" is authorized to spend currency to organize assistance for the seamen. Furthermore, he observed, we have asked the Nigerian firm of "Tarabo," with which we have business links, to provide assistance and help to the Soviet seamen.

Vasiliy Lushchenko also said that the "Rosrybkhoz" organization had sent a telex to the Soviet Embassy and trade mission in Lagos requesting assistance in organizing the rescue of the seamen.

Because the head of the Moscow joint stock company "Soves"—with which the seamen had concluded a contract, and through the fault of which they were in such a situation of distress—had not yet turned up in Lagos, "Rosrybkhoz" is studying the possibility of cancelling the seamen's contract with "Soves" and bringing the Soviet ships back home.

East Europe

SFRY's Markovic To Pay Working Visit 1-2 Aug

LD2907102691 Moscow TASS International Service
in Russian 0922 GMT 29 Jul 91

[Text] Moscow, July 29 (TASS)—It has been officially reported here today that Ante Markovic, president of the Federal Executive Council of the Federal Assembly of the SFRY, will pay a working visit to the USSR on 1-2 August this year at the invitation of the USSR Cabinet of Ministers.

International Aspect of Crisis Viewed

LD2707021591 Moscow All-Union Radio Mayak
Network
in Russian 1330 GMT 26 Jul 91

[Excerpts] We turn again to the situation in Yugoslavia. Against the background of reproaches from its political leaders, the bloodshed is continuing. One gains the firm impression that the federation is collapsing inexorably.

But there is also the international aspect of what is going on, especially because at the very beginning of the conflict, as you remember, Austria moved its troops up to the Yugoslav border. It is well known how painful the reaction is in Hungary to everything that is happening, because there are also Hungarians in Yugoslavia. Also, Albanian President Alia has stated, according to TANJUG, that the Albanian Armed Forces are on full combat alert; but they do not intend to cross the state border. You will agree that stability in Europe does not look particularly clear-cut.

Here with me is our observer, Viktor Levin. Viktor Nikolayevich, in connection with these and many other facts, what is your view of the international aspect of Yugoslav events?

[Levin] It must be said clearly that the events in Yugoslavia have unsettled the whole European community, meaning, in this case, not the European community in the narrow, formal understanding of that word, but all European countries, for nobody has been left indifferent. The reaction is not wholly uniform. To be honest, the news that Albania is putting its troops on combat alert gives me a feeling of alarm. After all, one must not forget that there has been bloodshed on several occasions already in Kosovo, an autonomous region of Serbia where very many Albanians live. The situation there is explosive, and in my view, that step by the Albanian authorities could fan the flames further. But as far as other countries are concerned, their efforts to bring about peace are perfectly evident. [passage omitted]

[Announcer] Viktor Nikolayevich, there is also the position of the Soviet Union. I don't think it coincides completely with the position of the member countries of the EC, which are actively playing the role of peacemaker in the Middle East.

[Levin] Yugoslavia, you mean.

[Announcer] Oops, yes, Yugoslavia.

[Levin] You see, we are not indifferent. In this connection, it is necessary to recall the recent visit to Yugoslavia by First Deputy Foreign Minister Kvitsinskiy, during which he visited both Slovenia and Croatia, not just Belgrade. Our position is this: we are in favor of a peaceful, democratic solution to the problems facing Yugoslavia, but we would like the Yugoslavs to find a common language. You are aware that events in Yugoslavia can very easily be extrapolated to events in our country; and we see them not only from the point of view

of events inside Yugoslavia, but also with an eye on what is happening in our own country. It is rather hard for us to advise the Yugoslavs, you will agree, because we are not managing to find a convincing answer to many internal issues of our own.

[Announcer] In general, we are now facing the same difficulties and coming up against the same problems as Yugoslavia is now. What is happening there gives grounds, on the whole, for serious reflection about the direction of our own development.

[Levin] Primarily, in my view, it is a warning that the only thing you achieve by taking up arms thoughtlessly is to risk exacerbating the situation; you will not solve it.

[Announcer] I thank our observer, Viktor Levin, for expressing his view of the international aspect of the Yugoslav events.

Polish Spokesman on Troop Pullout Problems

PM2907082191 KRSNAYA ZVEZDA in Russian
25 Jul 91 First Edition p 3

[TASS report: "How the Talks Are Going"]

[Text] Warsaw, 24 Jul—The lack of a treaty relating to the withdrawal of Soviet troops from Poland is one of the major obstacles to the establishment of good neighbor relations between the two countries. Government press spokesman A. Zarebski made a statement about this after the country's Council of Ministers examined the question of the presence of Soviet troops in Poland. He expressed the hope that the Soviet side would retreat from its original position at the talks regarding the deadlines for withdrawal and would adopt a timetable close to the one being proposed by Poland.

A. Zarebski went on to say that the Soviet Army's delay in making payments to the Polish railroad company for the transit of troops from the FRG to the USSR, and also the restrictions placed on access to Soviet units on Polish territory for the purposes of ecological inspection are hampering the establishment of a climate of cooperation. He claimed that ecological monitoring carried out at just two airfields occupied by Soviet aviation units revealed that damage totaling 2 trillion zlotys (about \$200 million) had been inflicted on Polish forests.

Meanwhile, as has already been reported, the withdrawal of Northern Group of Forces units and subunits from Poland's Jelenia Gora Voivodship began Tuesday. The first trainload of equipment from the guards tank regiment, which is being redeployed in the Kiev area, left the garrison near the city of Boleslawiec. It is intended to complete the regiment's withdrawal by 31 July, and the last Soviet servicemen will quit this garrison by the end of the year.

Exhumation of Polish Internees Begins

OW2607080191 Moscow INTERFAX in English 1800 GMT
25 Jul 91

[Following item transmitted via KYODO]

[Text] It has been established by investigation that Polish officers were shot and buried near Kharkov where exhumation of bodies has started today, Thursday, to confirm that over 3 thousand interned Polish officers were buried in 1940 together with Soviet people. The action is being carried out on direct orders of the USSR President.

An expert group is working together with Polish representatives. The spokesman of the Soviet Army's General Staff Yuriy Shumeiko has admitted to INTERFAX that the fact of burials in what is now Area 6 of Kharkov's green belt zone has been widely known ever since 1943.

The results of the exhumation will be known in several days. Later a memorial plaque will be unveiled on the spot.

Hungarian Delegation Visits Moscow 22-24 Jul

PM2607091491 Moscow PRAVDA in Russian
25 Jul 91 Second Edition p 4

[Unattributed report under general heading: "Official Reports"]

[Text] A delegation from the Hungarian Socialist Workers Party [MSZMP] headed by G. Thurmer, chairman of the MZSMP, was in Moscow 22 through 24 July at the invitation of the CPSU Central Committee.

During a talk between V.A. Ivashko, deputy general secretary of the CPSU Central Committee, and the delegation there was a discussion of questions of party collaboration in the interests of consolidating good neighbor cooperation between the Soviet Union and Hungary.

The Hungarian comrades met with CPSU Central Committee Politburo members I.K. Polozkov, first secretary of the Russian Soviet Federated Socialist Republic Communist Party Central Committee, Yu.A. Prokofyev, first secretary of the Moscow CPSU city committee, and M.S. Surkov, secretary of the all-Army party committee, and with CPSU Central Committee Secretaries V.A. Kuptsov and V.M. Falin.

West Europe

Norway Refuses Entry to Soviet Ship

LD2907191791 Moscow TASS in English 1838 GMT
29 Jul 91

[By correspondent Sergey Neshumov]

[Text] Oslo July 29 TASS—Norway on Monday refused the Soviet ship "Akademik Ioffe" to call at the port in Bergen.

The ship, which is currently lying out, is carrying a group of tourists and guests to an international congress of Esperanto specialists in Bergen.

The Norwegian news agency said, referring to a Norwegian armed forces official, that the Soviet ship was not allowed into the port because of its advanced sonar equipment, enabling to "see" underwater. Although there is no evidence that this equipment is being used for espionage against Norway, such a possibility exists, the official said.

Ambassador States Turkey Will Accept Turks

PM2907143591 Moscow IZVESTIYA in Russian
23 Jul 91 Union Edition p 2

[Report by V. Khovratovich: "Soviet Turks Seeking a Home"]

[Text] For more than a week Soviet Turks have picketed the Turkish Embassy in Moscow. The placards which they carried bore messages in Russian and Turkish which read: "President Ozal, save your fellow countrymen!" and "Our homeland is Turkey...."

These Turks, whom we usually call Meskhetian Turks, came to the capital from the Enbekshikazakhskiy Rayon of Kazakhstan. They were driven to this action by the difficult conditions created in the villages where they live.

"For a month now," the pickets said, "our families have been living in constant fear of a repetition of the Fergana tragedy. The indigenous population has demanded that we leave the rayon territory within three months. Furthermore, at a rally held by Kazakhs in Rakhat village this demand was one point in their appeal to President Nazarbayev and the Kazakh Soviet Socialist Republic Supreme Soviet."

The cause of the conflict which has erupted, as I read in the rayon newspaper PLAMYA TRUDA [Flame of Labor], "was the murder of M. Masimkhanova, a local inhabitant, by an ethnic Turkish criminal."

The Turks received, and again I quote PLAMYA TRUDA, "N. Nazarbayev's assurance that there can be no question of *forcible* (my italics—V.Kh.) resettlement."

But is this assurance stabilizing the situation in the region? After all, distrust has already broken out there. Furthermore, there is the example of Fergana, where the pretext for the bloody events was, if one is to believe the assurances of the then Uzbek leadership, an utterly trivial episode at a market.

Meanwhile the pickets stand outside the Turkish Embassy. But what has Turkey to do with this, the reader asks.

"Where else can we turn," Soviet Turks outside the embassy said to me. "You can see what is going on across the whole country. Who helped the 100,000 Turkish refugees in Fergana?"

Indeed, with the repeal this year of the State Committee for Defense resolution of 31 July 1944 on the resettlement of 86,000 Turks, Kurds, and Khemshils to Central Asia, it seemed that the peoples who were victims of repression would have a hope of returning to the lands of their forebears. But....

The leadership of Georgia, from whose territory the Turks were originally expelled, does not even want to discuss this problem.

However, the USSR Supreme Soviet only "recommends" that various questions be resolved.

Where should the Kazakh Turks turn now? To the benevolent and understanding "older brother." But we know that the Turks from the Fergana valley and the Kurds from Azerbaijan and Armenia did not receive a universally cordial reception in Krasnodar and Stavropol Krais. We also know about the painstaking efforts to restore the autonomous formations of the Crimean Tatars and the Soviet Germans. But whereas Germans resident in the USSR can resettle to their "historic homeland" unhindered—the FRG Constitution guarantees that—and no one is banning them from doing that, where does the Soviet Turk go?

"They told us at the Foreign Ministry and the Supreme Soviet too that there are no barriers to leaving," A. Mamedov and I. Ganiyev, cochairmen of the Soviet Turks' movement "Turkiya," say. "If only we could find a country to accept us. But if we go anywhere it will only be to Turkey. Our forefathers lived there and we have preserved our language, Allah be praised. Two years ago we asked to settle in Turkey for good. They did not say no there but the question of our resettlement has still not been decided definitively."

"But understand us too," Volkan Vural, Turkish ambassador to the USSR, said. "First, my country is trying not to take in refugees. Second, Turkey has a host of economic and social problems of its own. Nevertheless, two years ago we gave refuge to thousands of Bulgarian Turks and recently to Iraqi refugees too. But that cost a lot of money."

"However," the ambassador added, "we cannot sit calmly and watch the dire situation of the Soviet Turks. Therefore the Turkish Government, taking into account the difficult interethnic situation in the Soviet Union, has responded positively to the Soviet Turks' request. We shall be notifying the USSR Government of our decision and, of course, the Soviet Turks."

Well, we can only express thanks to another foreign state for helping us resolve some of our interethnic conflicts. But must we—once again—acknowledge our powerlessness and indifference? Indifference to the fate of a whole people?

British Minister on Soviet-IMF Agreements

*LD3007112791 Moscow TASS in English 0843 GMT
30 Jul 91*

[Text] London July 30 TASS—British Chancellor of the Exchequer Norman Lamont arrives for a visit to the Soviet Union on Wednesday.

He will be the first G7 finance minister to visit the Soviet Union in line with agreements reached between Soviet President Mikhail Gorbachev and leaders of the world's top industrialised nations. Follows his interview with TASS.

Q: What is your assessment of the results of the G7 leaders' meetings with Gorbachev in London? Do you regard the agreements achieved as a result of these talks very important or not? What would you say to those who believe the response of the West to the Soviet proposals could have been more significant?

A: The changes under way in the Soviet Union and Eastern and Central Europe are the most important since the end of the Second World War. The opportunities now before the Soviet Union are limitless. If they can be taken, all the world will benefit.

The meeting between President Gorbachev and the G7 leaders were a first step on the road. As such, of course, they had great symbolic importance. But they were much more than that. The concrete achievements included an agreement to cooperate more closely in future, the concept of special association with the IMF and World Bank, an increase in the UK's know-how fund for technical assistance to the Soviet Union, and of course the follow-up process which starts with my visit.

So I think anyone who felt our response should have been more is wrong. The question of financial assistance never really arose, since it was clearly premature. President Gorbachev made this very clear before he ever came to London. And, on the Soviet Union's reform programme, while it is true we criticised them at various points, I believe the criticisms were constructive. The very fact that we can have such frank exchanges is a great step forward.

Q: How would you sum up the aims of your visit to the Soviet Union? What will need to be achieved by your visit for you to call it a success?

A: I am coming to see for myself how you are setting about the process of reform, and to find out how we in the UK can best help. I hope to meet a wide range of people. I shall of course be seeing some of those from the Union government who came to London earlier this

month. But I also hope to meet people from the governments of the republics, and from outside government altogether.

One of the primary purposes will be to deepen understanding on both sides. We have only recently begun this dialogue about economic reform. The more we can understand each other's position the better.

I shall bring with me no preconceived ideas about what I want to take away. But I shall leave satisfied if I feel that I and my colleagues from the treasury have learned more about the reform programme, and if I feel that those whom I have met have heard something from me about how western market economies work.

Q: When could you foresee a full membership for the Soviet Union in the IMF?

A: I am sure that full membership will in time be the right solution. When President Gorbachev was in London, we talked a lot about integration of the Soviet Union into the world economy. IMF membership will be an essential part of that.

But it will take time to work out. In the meantime it is essential for the USSR and the IMF to work closely together. Hence our agreement to move as soon as possible towards a form of special association which would give the Soviet Union access to IMF (and World Bank) knowledge and expertise. I believe this should lead to full membership (for the Soviet Union—TASS note) in due course.

What do you think should be the main levers in the monetary and economic reforms in the Soviet Union? As far as I know, you, like many experts in my country, believe that the success of the reforms in the Soviet Union depends mainly on the Soviet Union itself, but could you express your views on this matter in more detail?

A: You are quite right. The process of economic reform must be carried forward within the Soviet Union. We cannot do it for you. But it requires courage and determination. The countries of Eastern Europe are finding that reform is painful in the short term. But the long term benefits will outweigh the initial costs.

There are several immediate priorities for the Soviet economy, in my view. You need macroeconomic stability. This means swift and decisive action to reduce both the budget deficit and to tighten monetary policy. Without these firm actions, there would be no hope of controlling inflation, nor of achieving currency convertibility, which will be very important to longer term investment in your economy.

The problem of the budget deficit is particularly worrying. Such a large and growing deficit is simply not compatible with economic stability. Everyone will suffer unless it is curbed. This means both raising more revenue and cutting public expenditure.

On the revenue side, it will be essential to settle the respective tax-raising powers of the centre and the republics. So a satisfactory conclusion to the current negotiations over the Union treaty is extremely important for economic reform.

And it will be necessary to look for ways of reducing state expenditure. One obvious area is defence: the Soviet Union has been spending a very high proportion of its national income on defence, and large reductions will free resources for other, more productive, uses. Another area to which I would draw specific attention is price subsidies. They are not only a drain on government spending, but they also stop the market working efficiently. They are doubly damaging economically, and I would urge you to get rid of all price controls as soon as possible.

But macroeconomic stabilisation is only one part of the story. It is the job of government to create the right climate in which private business can flourish. That includes a stable currency and a properly functioning legal framework. But it is the energy and talents of businessmen and entrepreneurs which actually create the wealth.

So the other priority must be to free businesses to do their job of wealth creation. The keys here are privatisation and competition. Agricultural land needs to be returned by the state to private ownership, as do businesses large and small. And there must be real competition—state monopolies should be broken up, not preserved in a different guise. If there are many producers competing with each other, then the customer will have the widest choice of quality goods at the lowest price. Obviously, you cannot be expected to privatise all of your economy overnight. But it is important to establish clearly the principle of private ownership, and to make a start on privatising agricultural land and at least the smaller businesses.

Finally, of course, you need private sector companies in Western economies to invest in the Soviet Union. You need joint ventures with Western companies, whose expertise can be harnessed to exploit the undoubted potential of the Soviet economy. But Western companies will need clear and unambiguous assurances before they can join such ventures. They need, for example, to know that when they sign contracts they can be legally enforced. And they need to be assured that the profits they make on their investments can be retained and, if they so wish, returned to the parent company outside the Soviet Union.

Many British companies are, I know, interested in investing much more in the Soviet Union on the right terms. It is in all our interests that a way should be found for them to go ahead.

Lukyanov Meets Europarlament President Crespo
PM2607132191 Moscow IZVESTIYA in Russian
24 Jul 91 Union Edition p 5

[TASS report under general heading: "Official Reports"]

[Text] A.I. Lukyanov, chairman of the USSR Supreme Soviet, met with E. Baron Crespo, president of the European Parliament, who is in the Soviet Union on an official visit at the invitation of the USSR Supreme Soviet, in the Kremlin 22 July.

Latin America & Caribbean

Oleynik, Supreme Soviet Group Visit Paraguay

Legislators Meet Paraguayan Minister
LD2607222291 Moscow TASS International Service
in Russian 0150 GMT 26 Jul 91

["The Soviet Parliamentarian Delegation's Paraguay Visit Continues" by TASS special correspondent Andrey Kurguzov]

[Text] Asuncion, 26 Jul (TASS)—The second day of the USSR Supreme Soviet official delegation's stay started with the ceremony of laying wreaths at the grave of the unknown soldier and at the monument to emigrants from Russia.

Members of the Soviet parliamentary delegation were then received by Gustavo Diaz de Vivar, chairman of the Senate of Paraguay's National Congress, and Jose Antonio Ruffinelli, chairman of the Chamber of Deputies. In an open and friendly conversation, leaders of both chambers of the national congress spoke in favor of normalizing and developing all-round relations between the USSR and Paraguay.

They stressed that changes in world policy contributed, to a great degree, to overcoming the barriers of alienation in Paraguay's relations with other countries. For many long years, Paraguay's self-isolation had not promoted normal development of society as a whole; therefore, the country's leadership is now implementing reforms aimed at attaining democracy and removing the consequences of authoritarian regime.

The Paraguayan legislators noted that their country is following attentively the changes in the Soviet Union and that perestroika in the USSR is aimed at creating conditions for the people's broad to participate in political life.

B. Oleynik, head of the Soviet delegation and deputy chairman of the Soviet of Nationalities, handed the chairman of Paraguay's National Congress a letter from USSR Supreme Soviet Chairman A. Lukyanov. After reading it, G. Diaz de Vivar stressed that the ideas

expressed in the letter are consonant with the Paraguayan people's aspirations and its striving for democracy. The Soviet parliamentarians conveyed an invitation to representatives of Paraguay's National Congress to come to the USSR for an official visit.

On the same day, members of the Supreme Soviet delegation were received by Foreign Minister Alexis Frutos Vaesken, who noted that this historic visit will impart a required impulse to the development of bilateral relations. He also spoke in favor of all-round expansion of trade and economic links which would open up possibilities for establishing other types of relations, including consular and diplomatic ones. The minister specifically stressed the beneficial effect of emigrants from Russia residing in Paraguay on Paraguayan society's spiritual development, thanks to which the country's citizens were able to get to know our homeland's art and literature.

The Soviet parliamentarians also held working meetings with representatives of political parties represented at Paraguay's National Congress, during which problems of international relations and bilateral cooperation were discussed.

Delegation Ends Visit

LD2807214791 Moscow TASS International Service in Russian 1650 GMT 28 Jul 91

[Text] Asuncion, 28 Jul (TASS)—The official visit to Paraguay by a delegation from the USSR Supreme Soviet, headed by Boris Oleynik, deputy chairman of the Soviet of Nationalities, ended today. The delegation had been visiting Asuncion at the invitation of the country's Congress (parliament).

During the visit, members of the Soviet parliamentary delegation held meetings with representatives of the Congress' Chamber of Deputies and Senate, with members of the government, and with prominent trade union leaders and industrialists. The meetings stressed the two countries' desire for normalization and development of general ties between the USSR and Paraguay. Both sides felt that this should be crowned with the establishment of consular or diplomatic relations. A joint communique has been adopted on the outcome of the visit.

After Paraguay, the USSR Supreme Soviet delegation is to visit Argentina.

Group Visits Argentina

LD2807221191 Moscow TASS International Service in Russian 2120 GMT 28 Jul 91

[By correspondent Aleksandr Nyrkov]

[Text] Buenos Aires, 29 Jul (TASS)—A delegation of the USSR Supreme Soviet, headed by Boris Oleynik, deputy chairman of the Soviet of Nationalities of the USSR

Supreme Soviet, arrived on an official visit in Buenos Aires on Sunday at the invitation of the Argentinian National Congress.

During the course of the visit the delegation will be received by Carlos Menem, the country's president, Guido di Tella, the minister of foreign relations and worship and Alberto Pierri, president of the Chamber of Deputies of the National Congress—and it will hold working meetings with Argentinian parliamentarians and members of the Supreme Court.

CPSU Sends Greetings to Paraguay Communists

LD2607045891 Moscow TASS International Service in Russian 0847 GMT 25 Jul 91

[Text] Moscow, 25 Jul (TASS)—The Secretariat of the CPSU Central Committee has sent greetings to delegates of the Fourth Congress of the Paraguayan Communist Party [PCP]. They note that the Paraguayan Communist Party, apart from the moment of its founding, has trodden a difficult path of struggle through years of underground existence and persecution.

Having wished the congress success, CPSU Central Committee Secretariat expressed the conviction that the friendly relations that exist between the CPSU and the PCP will continue to develop in the interests of our people and the cause of democracy and social progress.

Commentator Views Cuba's 'Difficult Period'

LD2707034591 Moscow Radio Moscow World Service in English 1810 GMT 26 Jul 91

[Text] Thirty-eight years ago a small detachment of Cuban revolutionaries led by Fidel Castro stormed the barracks of the government troops in the city of Santiago de Cuba. After the 1959 revolution trials 26 July was proclaimed national holiday. Our commentary is by Vladislav Chernukha.

Cuba is going now through a most difficult period over 32 years of its postrevolutionary history. This year the national uprising day is marked in a complicated economic situation which is aggravating. The reason for this is completely discontinued ties with its main economic partners, former socialist countries of Eastern Europe, and the Soviet Union. Trade with the Soviet Union is actually confined to the imports of oil and oil products. There is still the United States blockade. Economic problems have toughened the system of ration cards. There are interruptions in food supplies and the growth of discontent among the population is mounting.

The Cuban leadership tries to find a way out of the economic crisis by attracting foreign capital and searching for new forms of cooperation with the Soviet Union. The Cuban leaders also think about creating a new model for the economic development of the country. Meanwhile the process which started five years ago continues, a process of correcting the mistakes and eliminating the negative tendencies that block the

socialist construction. But the process only boiled down to reforming the same centralized system of the social production.

The congress of the ruling Communist Party, the only party in the country, is scheduled for October and it will be very important for the further development of Cuba. But the Cuban leaders say that the socialist choice will remain intact.

Castro 'Among Brothers' in Guadalajara

*PM2507150991 Moscow IZVESTIYA in Russian
23 Jul 91 Union Edition p 4*

[Report by correspondent A. Cherepanov: "Two Days in Guadalajara. Leaders of Spanish-Speaking Countries Prepared To Cooperate With Fidel Castro"]

[Excerpts] Guadalajara—For two days the Mexican city of Guadalajara, the capital of the state of Jalisco, has not been living to its age-old rules. The easygoing pace of life to which both the residents and the numerous tourists are accustomed was completely shattered. A summit of unprecedented scale has been held there. The presidents and prime ministers of 19 Latin American countries, Spain, and Portugal have been sitting around the same table. For the first time in world history the leaders of the Spanish-speaking states gathered in one place to jointly discuss their problems. [passage omitted]

The summit was attended by Cuban leader Fidel Castro. Everyone expected that people would start twisting his arm and demanding political change on the island. There were various predictions, but they boiled down to saying that if Castro remained in place, Cuba's isolation on the continent would increase. This was expected particularly by the Cuban emigres who had traveled from Miami. But everything happened differently. To all intents and purposes Fidel Castro rejoined the "club of Ibero-American presidents." The press called the Guadalajara meeting "Fidel's meeting." Many Latin American presidents who until recently had criticized Fidel Castro quite sharply seemed at the meeting to be, if not his best friends, then at least good acquaintances.

At numerous bilateral meetings it was, of course, hinted to Fidel Castro that democracy is mankind's greatest achievement in all the course of its existence. For

instance, Spanish Premier Felipe Gonzalez and the Mexican president, who have both visited the Soviet Union recently, spent more than an hour explaining to the Cuban leader that he cannot avoid political reform. But the overwhelming majority of presidents advocated non-interference in Cuba's internal affairs and the right of Cubans themselves to choose their own destiny.

The leaders of Colombia, Brazil, Chile, and Ecuador together with OAS Secretary General Baena Soares advocated Cuba's return to the OAS. Chile and Colombia signed protocols with Castro in Guadalajara on restoring consular relations. Spanish-Cuban relations have improved considerably following Fidel Castro's personal meetings with the Spanish King Juan Carlos I of Spain has accepted an invitation to visit Havana.

Only Nicaragua, Panama, El Salvador, Honduras, and Argentina maintained their old view of the Cuban regime. Leaving Guadalajara, Fidel Castro told journalists that he had felt that he was "among brothers." [passage omitted]

Foreign Ministry on Argentina-Brazil Pact

*LD2607152691 Moscow TASS in English 1414 GMT
26 Jul 91*

[Text] Moscow July 26 TASS—The Soviet Union has welcomed the signing on July 18 of an Argentine-Brazilian agreement on the peaceful use of nuclear energy, says a Foreign Ministry statement, published here today.

The statement says that the USSR "regards the conclusion of the agreement as an important milestone event facilitating the consolidation of the international" regime of nuclear [words indistinct] proliferation and the maintenance of regional stability in the continent."

Correction to Central American Talks

LD2407042991

The following correction pertains to the item headlined "Central American Presidential Talks 'Positive'" published in the 24 July Soviet Union DAILY REPORT, page 21:

Column one, paragraph five, only sentence make read: ...Central American leaders have confirmed their obligation to implement the Equeipa agreements to limit... (providing dropped line).

Political & Social

Resolutions, Results of CPSU Plenum Viewed

1991 CPSU Budget Resolution

PM2907134991 Moscow PRAVDA in Russian
29 Jul 91 Second Edition p 2

["CPSU Central Committee Plenum Resolution of 26 July 1991 on the CPSU Budget for 1991"—PRAVDA headline]

[Text] 1. The CPSU budget for 1991 is to be approved with income of 1.394 billion rubles [R] and expenditure of R2.494 billion. Some R1.100 billion is to be directed from the CPSU insurance fund to cover the deficit.

The CPSU Central Committee Secretariat is to clarify CPSU budget indicators as the budget is implemented.

2. The central committees of union republic communist parties, republic, kray, and oblast party committees, party committees within the USSR Armed Forces, and party institutions are to ensure the qualitative implementation of the CPSU budget and take concrete steps to replenish party coffers with additional sources of revenue and cut spending on funding party organs' activity through more economic and rational use of funds and reduce the CPSU budget deficit this year.

To this end, in cooperation with party organizations' control bodies, the requisite work is to be implemented to strengthen discipline among Communists as regards compliance with the requirements of the CPSU Rules for material backing for the party and ensure that the party budget receives all dues paid. This work is to be carried out in an atmosphere of wide-ranging glasnost and provision of information for Communists via party press organs.

In conjunction with party publishing houses a program is to be outlined and implemented to enhance the effectiveness of the use of publishing houses' material base and printing enterprises' production capacities with strict observance of contractual commitments, and opportunities are to be sought to increase production of highly profitable publications and consumer goods in demand among the population that match ideological and artistic requirements.

Work is to be mounted to swell CPSU budgetary income from production and economic activity, with more active involvement in this sphere of the material base and monetary resources of party committees and party institutions. The additional money is to be used to fund party organs' activity solely designed to fulfill the CPSU's statutory tasks.

Party committees at all levels, with the participation of party control bodies, are to enhance the effectiveness of

their supervision of Communists' full and timely payment of membership dues along with the correct spending and use of party monies as targeted.

3. With a view to retaining cadres, developing their initiative and autonomy, increasing social protection, and recruiting for work in party organs people capable of acting in the contemporary sociopolitical situation, party committees and party institutions are to be recommended to employ contract recruiting where necessary.

Extensive combination of posts is to be brought into practice in party organs for all categories of officials in party committees and party institutions, and supplements to official salaries for possession of an academic degree, results of sociopolitical and labor activity, performance of particularly important work, and professionalism are to be introduced.

Resolution on Elections of Deputies

PM2907133191 Moscow PRAVDA in Russian
29 Jul 91 Second Edition p 2

["CPSU Central Committee Plenum Resolution of 26 July 1991 on the Procedure for Electing USSR People's Deputies From the CPSU"—PRAVDA headline]

[Text] 1. USSR people's deputies from the CPSU are to be elected at a routine CPSU Central Committee plenum.

2. Voting in elections of USSR people's deputies is to be carried out with the participation of members of the CPSU Central Control Commission, first secretaries of union republic communist party central committees, republic committees, party kray, oblast, and okrug committees, and party committee secretaries from CPSU organizations within the USSR Armed Forces who are not members of CPSU central organs.

3. The CPSU Central Committee Politburo is to be instructed to submit, in accordance with legally prescribed procedure, a list of people voting at the Central Committee plenum to the Electoral Commission for Elections of USSR People's Deputies from the CPSU.

Plenum Shows 'Relative Restraint'

LD2607194991 Moscow Russian Television Network
in Russian 1700 GMT 26 Jul 91

[From the "Vesti" newscast]

[Text] Today attention has been focused once again on the CPSU Central Committee Plenum. It has now ended. The relative restraint of the conservatives at the plenum, which was contrary to many predictions, is to be explained probably by the fact that the right-wingers have not yet united into a single powerful grouping. NOR do they have a leader who for influence could oppose Gorbachev, even to some degree. It also seems that the mass news media do have their merits. The problems of the present plenum were discussed long before it began,

and attempts to accomplish palace coups in secret are now far less likely than previously.

[Correspondent S. Dorenko] The plenum is over. Its participants conducted themselves calmly, and did not make much trouble for Gorbachev. The portly members of the Central Committee displayed temperament only in condemning apostates such as Shevardnadze, and they showed great anger over the Russian president's decree on departization.

They demanded that Mikhail Sergeyevich condemn Yeltsin, and General Secretary Gorbachev endeavored to preserve as much as possible the reputation of President Gorbachev. He promised to cancel Yeltsin's decree, but only after the committee on Constitutional Compliance had reached its conclusions. It is hard to see how this will confirm with Russia's sovereignty and the conclusion of a new Union treaty. It seems, however, that in this hall the word sovereignty is perceived as tactless. The members of the Central Committee adopted a statement in defense of citizens against departization. [video shows Gorbachev on platform, and delegates entering and leaving hall]

Many at the plenum have been noting with pleasure a consolidation. Indeed, the only thing left is to consolidate, after election defeats in half the republics. Moreover, at the last plenum the Bolsheviks did not succeed in converting Gorbachev, and they did not begin to try to do this. The conservatives will endeavor, rather, to muster the necessary delegates at the extraordinary congress in November, and there campaign for the dismissal of Gorbachev and for the Bolshevikization of the party program.

In the meanwhile, the text of the program will move on from the party general secretary to a special commission, which is also under Gorbachev's chairmanship. It seems, therefore, that no big amendments will be inserted in its text. [video shows groups of delegates in lobby; Gorbachev passing through the lobby]

So everyone is awaiting the congress. For the time being, to the mutual satisfaction of the sides, Shevardnadze and Silayev have been removed from membership of the Central Committee, and with Anatoliy Lukyanov's help five people's deputies have been nominated from the CPSU. [Video shows closeup of Lukyanov]

The issue of money was also quickly covered. During the nineties 2.4 million individuals left the party. There was a shortfall in subscriptions of 31 million rubles. From those remaining in the party, the Communists of Moscow, Leningrad, Kemerovo, and Sverdlovsk were worse than others in the payment of subscriptions. The position is very bad in Armenia and Georgia. However, the Communist Party continues to be rich, and intends this year to spend almost 2.5 billion rubles on its bodies and establishments. [video shows delegates in the lobby; delegates showing passes as they enter session]

Lack of Organized Conservative Force Shown

PM2907110791 Moscow ROSSIYSKAYA GAZETA
in Russian 27 Jul 91 p 1

[Article by political observer Igor Korolkov: "Sensation: No Sensation at CPSU Central Committee Plenum, Or How Did Gorbachev Manage to 'Tame' Party Nomenklatura?"]

[Text] There was neither a frenzied attack on the CPSU Central Committee general secretary with a demand for his resignation nor a split in the party. Although the likelihood of all this had seemed quite great. The passions which had been raised to white heat among the party nomenklatura seemed to have reached the point where the initiator of the reforms had to be faced with a choice: either to accept the conservatives' terms or to split the party, taking progressive Communists with him. (There is a story that the "Democratic Reforms Movement" is being set up for just this eventuality.)

Psychologically, so it seems to me, society is already ready to accept such a step by the president. But he played in just the same way as he did before the previous plenum, at which the conservatives had intended to expel Gorbachev from the post of general secretary. Like the last time, the day before the plenum Gorbachev met with secretaries of republic and oblast party committees. According to P. Luchinskiy, member of the Politburo and secretary of the CPSU Central Committee, at first they advocated mounting a debate at the plenum on the situation in the party, but then they changed their mind.

The first day of the plenum's work passed off calmly. Amazingly, as P. Luchinskiy emphasized, apart from perfectly correct individual comments addressed to the general secretary, there were no attacks on him. The discussion of the draft CPSU Program proceeded constructively, albeit not without disputes. The plenum's second day also passed off evenly, without emotional outbursts. Its outcome had obviously been decided the day before the plenum. What had Gorbachev said to the party secretaries, how had he managed to turn their wrath into meekness? What arguments had he been able to put to the high-ranking Central Committee members?

I may be mistaken, but I believe that it was not even a matter of some specific weighty arguments. Rather, it was a matter not so much of them as of the fact that there is no organized force within the CPSU that could be considered conservative. This was what P. Luchinskiy told journalists at a briefing. I am inclined to share his viewpoint, only with one amendment: Such a force does not exist in the CPSU Central Committee. It is one thing to be indignant at the general secretary's policy in your own party fiefdom and to curse Gorbachev over the internal telephone in conversation with a colleague, and it is quite another thing to level complaints from the plenum rostrum. For people have already leveled them and cursed him, and how! But then what? Then it is necessary to make so bold as to organize the general secretary's expulsion. But even this is only part of the

matter. After this the new leader will have to proclaim the party's new political line—that of undermining the reforms. Who will dare to do such a thing? For it is only in a "Word to the People" that it is possible to intimidate people with fanciful epithets, by speaking "in general." But politics is something delicate and specific.

If an organized conservative force existed within the Central Committee, no preventive measures would stop it. But here it turned out that the chief, albeit an unloved one, had only to "carpet" his subordinates and paint a dire picture of the political situation in the country, and they at once moderated their ardor. Although they swagger among themselves, they understand perfectly that the distribution of forces is not in their favor. There is no support for them within society. The president of Russia promulgates the Decree on Departyization, and the USSR president declares very significantly: "Whatever turn events may take, we must not panic." General Secretary Gorbachev reacts somehow very sluggishly to A. Rutskoy's attempt to create a new party of Communists, but on the other hand President Gorbachev is pleased that the Armenian leader might join the Novo-Ogarevo "nine." He is concerned about other structures. And this is understandable.

They have no arguments with which to counter Gorbachev. They do not have a goal. They have no way out other than to observe in the evolving situation how the rust-eaten old ship is slowly sinking into the deep.

For a long time to come they will bow to the ideals which have come tumbling down in the public consciousness and will revile the reformers at every convenient opportunity, but they will increasingly be forced more frequently to acknowledge the realities which are taking shape and which have been dinned into them by the president-general secretary. They are already almost inclined to accept a draft program with an overtly social democratic thrust: an irredeemable sin by yesterday's yardsticks.

And in this way, periodically getting on everyone's nerves yet still changing, they will be transformed from the "leading and directing" party into one of many.

'Constructive' Plenum Debate Noted

PM2907123391 Moscow PRAVDA in Russian
29 Jul 91 Second Edition p 1

["Topical Theme" Article by Aleksandr Ilin: "Listening to and Hearing One Another"]

[Text] Much was expected of the CPSU Central Committee Plenum the other day.

Some made no secret of the fact that they were hoping for a split in the Communist Party, which would help to realize the schemes of its many opponents for the removal of the CPSU from the sociopolitical arena. And, it must be said, not just hoping but doing everything to promote processes capable of destroying the party from

within, to present it as an organization which has outlived its usefulness, and to discredit it in the people's eyes.

Others—and there were quite a few of them—based their schemes on the possibility of a retreat from the radical economic and political reforms, assuring people that the course of perestroika has outlived its usefulness and the further it goes, the more the party and the country will be led into an impasse.

I think that the majority nevertheless believed in the political maturity and responsibility of Communists and the ability of the party and its Central Committee to decide on a critical reevaluation of past experience and ideological and theoretical guidelines which do not correspond to present realities. And thus decide on a radical renewal of the CPSU and its transformation into a party of political action.

Now that the plenum is already behind us and its materials are being analyzed in the party and society, one can form quite a clear idea as to which expectations were justified and whose schemes were rejected. The course of the discussion, which sometimes assumed a very acute form, showed that for all the diversity of opinions the plenum participants were able to hold a discussion of the draft new party program in a constructive spirit. Of course, there were also attempts to reject the draft out of hand, as it were, as a whole, and furthermore those who spoke from such positions even won the applause of a section of the hall. There was also applause of a different kind, when people slow-handclapped those whose opinions did not fit in the usual framework of fixed, traditional views. Occasionally there were also mutual recriminations and infuriating clichés and stock phrases. Nevertheless, it was not that which determined the atmosphere of the plenum—it was dominated, as M.S. Gorbachev noted in his closing speech, by a sensible, businesslike approach.

Perhaps not everyone will agree with that: Indeed, there were virtually no speeches which did not express criticisms of the draft, or offer amendments to it, or try to clarify it. After all, no one was expecting unconditional approval of literally all the provisions of the future program. The plan was for an exhaustive and serious discussion and comprehensive, collective consideration of how the party should live and work in the present complex situation and in the years ahead. And of what to do to avoid incorporating declarations out of touch with life in the CPSU Program and to enrich the draft as much as possible with fresh ideas and the working experience of party organizations in highly diverse and difficult conditions. I think that this aim was largely achieved and that within the party there is a strengthening awareness of the need to learn to listen to and hear one another and to collectively elaborate an effective policy which the people understand. The plenum also gave good impetus to the partywide discussion which will be launched after the publication of the draft before the extraordinary 29th CPSU Congress.

As expected, there were heated debates over the assessment of the path traveled by the party and the country, the work methods of party organizations in conditions of the transition to a market economy, and problems of the CPSU's social base and its role in the social protection of working people. Paramount questions, admittedly. The burden of the past and dramatic and tragic episodes in the party's history also affect the attitude of millions of people toward it. That is why the conclusion that the CPSU is resolutely and irrevocably renouncing routine attempts at making its fellow citizens "happy"—especially enforced attempts—and that it is going to be a party of democratic reforms operating exclusively by legitimate political means is so important. And this is impossible without repudiating dogmas and stereotypes, without broadening the ideological and theoretical arsenal, and without its renewal. It is also necessary to master the diversity of parliamentary forms and methods of work and be a consolidating force uniting progressive, mass social movements in the struggle for truly democratic transformations in the country. It is no less important to learn in practice how to express and defend the interests of working people and to preserve social gains.

There cannot have been a single urgent problem of society's life that was not raised at the plenum. The crisis in the economy and social tension, manifestations of national separatism, and the confrontation between political forces at the present stage—all these things trouble Communists. But signaling the problem is only half the job. As one of the speakers rightly said, it is time that the CPSU turned from being a party which acknowledges mistakes and difficulties into a party of political forecasting, otherwise it is impossible to avoid new errors and achieve electoral success.

In my view, one should also analyze attentively and without undue emotion the critical opinions of those who expressed alarm at the possible weakening of the ideological and political unity of the party, which is already being split by various tendencies and platforms. The party will be able to realize its program goals, win the people's trust, and skillfully counter its political opponents, who have launched a total offensive against Communists, only if it is united and at the same time does not become exclusively preoccupied with its own internal problems but is open to society.

The RSFSR president's recent decree on departyization made its mark on the course of the discussion. Obviously, it was aimed at causing confusion to Communists, and not only in Russia. Was the aim successful? Judging by the speeches at the plenum, which adopted a special statement in connection with the decree, the threat to democratic gains has forced party members to be even more clearly aware of their responsibility for preserving the civil rights and freedoms won in recent years and for consolidating democracy and the true sovereignty of the people. Furthermore, the main attacks on the party are still to come, as "well-wishers" from the "dependent" and "independent" press have been openly stating as

they rub their hands in glee at the prospect of a communist witch-hunt. Assertions that the CPSU Program is "new slogans based on old dogma" have become daily fare in some newspapers. This is yet further evidence that the aim of the "radicals" remains the same—to remove the CPSU from the path of the antisocialist transformations conceived by them.

The special significance of the plenum has been noted more than once both before and since it. This is not a gesture to tradition. This is an awareness of the tremendous importance of the CPSU's future program for the fate of the party. And the constructive discussion held during those 2 days in July inspires the hope that our party will be able to overcome the crisis and draw fresh breath.

News Conference on Plenum Reported

PM2907135591 Moscow PRAVDA in Russian
27 Jul 91 Second Edition p 2

[TASS report: "Plenum Passes Test"]

[Text] The keen interest in the CPSU Central Committee Plenum has disappointed those who forecast a party split—that was the thrust of the statements made by party Central Committee members at a news conference held in Moscow 26 July.

The completed plenum, despite sharp political discussion, was held in a spirit conducive to mutual understanding and the maintenance of party unity, A. Dzasokhov, member of the Politburo and secretary of the CPSU Central Committee, remarked.

Trenchant questions about the party's social base and its attitude toward the "burgeoning class of the Soviet bourgeoisie" were followed by the calm response of Academician L. Abalkin who, as a CPSU Central Committee member, does not consider that the party is entitled to draw social and class [soslovnyy] limits for CPSU membership, which is confirmed in the draft program.

The plenum decided to convene an Extraordinary 29th CPSU Congress this November-December. In view of this decision, journalists conjectured that orthodox Communists had decided to postpone the "final decisive battle" until the congress—as the supreme party body. Such predictions brought forth a categorical objection from the news conference participants. Dzasokhov stressed that not one of the 38 CPSU Central Committee members who spoke at the plenum raised the question of replacing the general secretary. Moreover, the Central Committee holds to the opinion that in today's political conditions M.S. Gorbachev's combining of the posts of president of the country and general secretary of the CPSU Central Committee "is expedient."

As far as the future congress is concerned, the Politburo member observed, "Our aim is to ensure the party's ability to overcome today's difficulties." From this

standpoint, the CPSU Central Committee Plenum "passed the main test of preserving agreement on the basic questions." The presence in the party of diametrically opposed opinions concerning the further development of society was described as a "natural feature of a normal social organization."

Dzasokhov Summarizes Plenum

LD2607205991 Moscow Central Television First Program Network in Russian 1800 GMT 26 Jul 91

[Video report by correspondent G. Svishchenkov on a news conference in Moscow on 26 July devoted to the results of the CPSU Central Committee plenum, including recorded remarks by Aleksandr Sergeyevich Dzasokhov, member of the CPSU Central Committee Politburo from the "Vremya" newscast]

[Text] A news conference, which finished two hours ago in the press center of the party's Central Committee, was devoted to the results of the plenum's work. Aleksandr Dzasokhov, member of the Politburo and secretary of the CPSU Central Committee, speaking to Soviet and foreign journalists, noted that the plenum—in its significance and the attention devoted to it on the eve of and during its work—might be described as exceeding the bounds of normal ideas about plenums of the party Central Committee.

[Video shows Dzasokhov seated at long table with other delegates on both sides, including among these L. Abalkin]

[Dzasokhov] The central issue considered at the CPSU Central Committee Plenum was the issue of the draft program, the new program, for the adoption of which the party is aiming, the decision of the 28th Congress. [as heard] We have taken this very necessary but difficult matter upon ourselves under conditions which differ from those during the periods when previous programs of our party were adopted. This is the fourth in number. I will tell you right away that the plenum, which worked under conditions of a creative consideration of this issue, in a situation of very acute, professional, political discussions, considered it possible to recommend the draft program after appropriate—I would say thorough—elaborations, which take into account the thoughts expressed by members of the Central Committee for general party discussion. We proceed from the fact that the interest of all of our soviet peoples will be stimulated in the program.

We have much new in the draft program and in the report. There are new points, first, with regard to the party's position with respect to ownership. The new points relate to the way in which we conceive of the renewed federation and the fate of our Union state. Our concepts of our spiritual values also sound new, of our devotion to Marxist-Leninism, and at the same time our orientation toward leaving in the service of social progress other ideological progressive teachings as well, on a fatherland and international scale.

These new points will also lead to the party's role now being delineated as that of a political force, a political organization within the framework of which democratic principles should reign, a party widely directed toward the individual, toward the problems of society, a party which aims at reform and a party oriented toward enterprising participation in the attainment of civil accord.

The general conclusion, especially taking into account the excited, I would say, interest in the plenum: The plenum took place, despite a wide variety of opinions, nevertheless in the spirit of accord, of striving to understand one another, and of finding all that is rational to serve the preservation of the unity of the party—and, what is particularly important, alongside an understanding of the delayed pace of the renewal processes within the party, to find the inner strength for this every important task to be implemented. I think that the first steps in this direction have now already been taken, even at the plenum itself.

[Svishchenkov] After this, Aleksandr Dzasokhov, as well as participants in the news conference Vladimir Kalashnikov, secretary of the CPSU Central Committee, Valentin Gayvoronskiy, member of the Secretariat of the CPSU Central Committee, and Lyudmilla Shvetsova, Leonid Abalkin, and Tofik Izmailov, members of the party Central Committee, answered the numerous questions by Soviet and foreign journalists.

Alekseyev Calls for Suspension of Yeltsin Decree

PM2807184391 Moscow IZVESTIYA in Russian 29 Jul 91 Union Edition p 1

[“USSR Constitutional Oversight Committee Decision on the RSFSR President's Decree 'On Ending the Activity of the Organizational Structures of Political Parties and Mass Public Movements in RSFSR State Organs, Institutions, and Organizations'”—IZVESTIYA headline]

[Text] The USSR Constitutional Oversight Committee, having examined the proposal from the chairman of the USSR Supreme Soviet and the USSR Supreme Soviet Committee for Questions of Glasnost and Citizens' Rights and Appeals, has held that the aforesaid RSFSR [Russian Soviet Federated Socialist Republic] presidential decree is essentially an act of legislation and affects citizens' basic rights and freedoms.

By virtue of this the Constitutional Oversight Committee, in accordance with Article 124 of the USSR Constitution, Article 10 of the Law on Constitutional Oversight in the USSR, and Paragraph I of the Congress of USSR People's Deputies resolution of 23 December 1990, is entitled to examine the question of whether the RSFSR president's decree accords with the USSR Constitution and USSR laws.

The USSR Constitutional Oversight Committee has decided:

1. To accept for examination the question of whether the provisions of the RSFSR president's decree of 20 July 1991 "On Ending the Activity of the Organizational Structures of Political Parties and Mass Public Movements in RSFSR State Organs, Institutions, and Organizations" correspond to the USSR Constitution, USSR laws, and the USSR's international obligations.

2. To suggest to the RSFSR president that implementation of the decree be suspended while the matter is being examined by the USSR Constitutional Oversight Committee.

[Signed] S. Alekseyev, chairman of the USSR Constitutional Oversight Committee

Moscow, 27 July 1991.

Lushchikov on Decree's 'Contradictions'

PM2907145591 Moscow IZVESTIYA in Russian
25 Jul 91 Union Edition p 2

[Interview with USSR Justice Minister S. Lushchikov by correspondent V. Litovkin: "USSR Justice Minister S. Lushchikov: Russian President's Decree Full of Contradictions"]

[Text] Reactions to RSFSR [Russian Soviet Federated Socialist Republic] President B. Yeltsin's 20 July decree "On Suspending the Activities of Organizational Structures of Political Parties and Mass Public Movements in State Organs, Institutions, and Organizations of the RSFSR" have varied in our society. Our correspondent asked USSR Justice Minister S. Lushchikov to give his view.

[Lushchikov] There have been contradictory assessments of the decree. On the one hand, it addresses the solution of problems posed by life. Incidentally, they are something the USSR, the presidents of the other republics, and the union parliament are looking at. This is exemplified by last October's USSR law "On Public Associations"—I would point out that many of the decree's provisions coincide with the law's norms. And yesterday we registered the 197th public association.

But, on the other hand, the Russian president's decree deals a blow to citizens' opportunities for political activity and to the implementation of the principles of a multiparty system, for which favorable juridical conditions have to be created.

[Litovkin] Why so? After all, the decree does not prohibit and does not hinder the activities of parties and associations outside state enterprises...

[Lushchikov] Indeed, it does not prohibit them. But neither does it create the basic favorable conditions for them. And, I emphasize, I am not talking about a single party, but all of them.

Our experts were struck by the fact that the decree contains internal contradictions, which will not do for a

juridical document. See, the title of the decree talks about suspending the activities of organizational structures of parties and public movements in state organs, institutions, and organizations of the RSFSR, yet its first article actually prohibits such activities on the territory of the RSFSR, irrespective of the departmental subordination of the state institutions and organizations... The difference between the words and terms used, from the legal viewpoint, is enormous.

Now let us look at what the words "irrespective of subordination" actually mean.

On the territory of the RSFSR there are, for example, functioning Uzbek and Kazakh organizations in which the CPSU traditionally has authority; in other republic missions and institutions there may be different political structures—are they supposed to suspend operations too?

What if you take organizational systems, for example our ministry. As a union department, we are not covered by the Russian president's decree. But what about our subordinate organizations, for example, the Legal Academy under the Justice Ministry? I believe that the workings of the decree have not been properly thought out.

[Litovkin] You mentioned the USSR Law on Public Associations. How does the Russian president's decree tally with it, how does it fit in with the norms of international law?

[Lushchikov] That is the biggest problem. The new RSFSR presidential decree contradicts—fundamentally—the Law on Public Associations, and, most important, Articles 48 and 51 of the USSR Constitution and Article 22 of the International Pact on Civil and Political Rights signed by our country during the Helsinki process.

It infringes USSR citizens' rights, since it violates the principle of equality of citizens and their associations and places unwarranted and, as far as the international pact is concerned, impermissible restrictions on freedom of association and on the activities of political parties and mass public movements in state management organs. The spatial and temporal restrictions on people's opportunities to carry out public activities are essentially a violation of human rights. And the ban affects not only parties, but associations concerned with ethnic matters, traditions, culture, and people's interests. For example, the society of inventors and rationalizers and youth and women's organizations.

I would say there are problems in this sphere. The Law on Public Organizations was adopted recently. Perhaps it needs to be developed, perhaps we need a law on political parties... There are also questions about party membership and people's judges. But these problems must be tackled without undue haste. Incidentally, a special USSR Supreme Soviet resolution was adopted 20

June 1991 in which three committees—glasnost, legislation, and state evolution—were instructed to prepare draft laws regulating the procedure for implementing citizens' demands concerning political activities at enterprises and submit it [singular as published] for consideration by the sixth session.

[Litovkin] But if the country's Supreme Soviet does not have the time, it does not necessarily mean that Russia can wait...

[Lushchikov] Perhaps. But there is the USSR Constitution. I am talking about legal work, not about political motives. Indeed, our ministry's experience does not indicate any insuperable difficulties in relations between public movements and state enterprises.

[Litovkin] I believe we need a decision by the Constitutional Oversight Committee and, perhaps, a USSR president's decree to clarify the situation. After all, this situation has arisen not only in Russia but in other republics as well.

One might determine the procedure and timeframe for the preparation of particular draft laws and provide relevant instructions. Definite stages have to be worked out. Let us deal with the law-enforcement organs, then with the Army, and then with the civil service—what we need to do is adopt a law on it—and let us deal with human rights violations...

There is a great deal of work to do, but it has to be done along legal lines. That is the right path to follow.

Democratic Reform Movement Holds News Conference

LD2707194991 Moscow TASS International Service in Russian 1736 GMT 27 Jul 91

[Text] Moscow, 27 Jul (TASS)—“For the radical changes in our life to not only get a chance to exist, but also to become irreversible, there is a need for the emergence of a powerful political force capable of sharing responsibility together with other democratic forces in seeking ways to keep society from disintegrating and to recreate a situation of stability and confidence that guarantees the rights and liberties of citizens.” This is stated in an appeal from the organizing committee of the Democratic Reform Movement [DRM] which was issued here today.

The organizing committee, which is headed by Eduard Shevardnadze, the former USSR foreign minister, is asking everyone who shares the aims of the movement and is ready to support it to participate in preparing the movement's founding congress, which is scheduled for the second half of September this year.

Today there was also a news conference, at which DRM political council members Aleksandr Yakovlev, senior adviser to the USSR President; Ivan Laptev, chairman of the Soviet of the Union, one of the chambers of the union parliament; and others answered journalists' questions on the aims of the movement and the plans for its activities.

Aleksandr Yakovlev said in particular that “the movement will not be confrontational in character. Even if it becomes a party, it will be an open organization.”

The aims of the movement meet with support not only in Russia, but in other republics of the country too—in particular in Kyrgyzstan and Armenia, whose representatives spoke at the news conference. Initiative groups of the movement already exist in Kirov, Khabarovsk, Simferopol, Leningrad, Vladivostok, Petrozavodsk, Novgorod, Nikolayev and other of the country's towns.

Ivan Laptev stressed that the movement's participants support the speediest signing of a Union treaty.

Movement Not ‘Confrontational’

LD2707232491 Moscow Central Television First Program Network in Russian 2045 GMT 27 Jul 91

[Video report by unidentified correspondent, including recorded remarks by Aleksandr Yakovlev, senior presidential advisor, in reply to second unidentified correspondent's question at a news conference in Moscow on 27 July; from the “Television News Service” program]

[Text] [Correspondent] A news conference was held at the Moscow Soviet building in Moscow today, reviewing the joint session of the political executive committee and organizational committee for preparing the constituent congress of the Movement for Democratic Reforms. This congress will most likely be held in the second half of September. As the organizational committee's appeal says, the movement's main strategic task is to seek out ways of keeping society from falling apart, and to restore a situation of stability and confidence guaranteeing citizens' rights and liberties. Most likely the authority of the movement's leaders—Yakovlev, Shevardnadze, Laptev, and others—will ensure the movement solid support among voters, both at forthcoming elections to local soviets and at the presidential elections following the signing of the Union treaty. [video shows Yakovlev and others at news conference; voice of correspondent asking following question]

[Second correspondent] There has been talk here of Gorbachev's attitude to the Movement for Democratic Reforms. I would also like to know about the movement's attitude toward Gorbachev and toward the CPSU—cooperation, confrontation, and so on—what will it be?

[Yakovlev] Well, first, with regard to the movement. We see it—and this was discussed today, and I think we came to a unanimous view—that this will not be a confrontational movement. We actually want, if it proves possible—we realize that it is a very difficult job, and I could even agree if someone among you were to reproach us that this is, perhaps, a romantic dream of some kind—well, this is, perhaps, always inherent in incipient movements—but nevertheless, to gradually tackle the job of removing from our life all this enmity, intolerance, bitterness. For 70 years the ideology which

was predominant in our country bred an attitude among people not to trust one another, to suspect one another, and sometimes even to denounce one another. If society wants to be law-governed and civic, it must resolutely break with this kind of ideology, this manner of conduct. Naive? Perhaps. Attainable? We have to try.

IZVESTIYA Cites Yakovlev

PM2907144191 Moscow IZVESTIYA in Russian
29 Jul 91 Union Edition p 1

[TASS report: "The Democratic Reform Movement's Choice"]

[Text] Moscow—The year 1937 began with speeches and articles and not with prisons, Aleksandr Yakovlev, senior USSR presidential adviser, said at a press conference with members of the Democratic Reform Movement Political Council held 27 July in Moscow. He expressed concern about the fact that labels of the "turncoats" and "renegades" type have been used increasingly frequently recently, recalling "sounds from the dungeon."

According to him, the Democratic Reform Movement is called upon to assist in putting an end to people's mutual hatred, hostility and mistrust. The initiators of the movement realize that their "romantic dream" is hard to realize, but nevertheless they believe it to be a matter of conscience for every honest person to make their choice, proceeding on the basis of their convictions and as their morals dictate."

In reply to a question of how the participants in the movement intend to realize their program of democratic transformations in practical terms, it was said that initiative groups would be formed in many regions, including in the union republics. These already exist in Khabarovsk, Leningrad, Vladivostok, Nizhniy Novgorod, and a number of other cities. Zhumagul Saadanbekov, chairman of the Kyrgyz Presidential State Inspectorate, stated that "genuine democratic values are international."

Ivan Laptev, chairman of the USSR Supreme Soviet Soviet of the Union, stressed that the participants in the movement are in support of the speediest signing of the Union treaty.

Assessing the attitude of the CPSU Central Committee plenum that has just been held to the new sociopolitical structure, the movement's representatives noted the "checkered nature" of the opinions of the party Central Committee members, and they added that "the movement does not intend to make its program dependent on the decisions of other social organizations, such as the CPSU."

The most difficult question for A. Yakovlev, as he admitted, was the question of whether he plans to follow E. Shevardnadze's example? "I will not dissemble: I have often thought of it, and weighed things up... But in any

case I will place the interests of usefulness and the question of time in first place."

Concerning future elections to the supreme organs of power, it was said unequivocally: "There is no need to be devious about this—of course we will prepare for them."

Radio Rossii Analyzes Resignation

LD3007143491 Moscow Radio Rossii Network
in Russian 1234 GMT 30 Jul 91

[By correspondent Vitaliy Ushkanov]

[Text] I would now like to talk to you about the place of the party in our life.

Well, I came across several curious reports here and two of them are connected with Aleksandr Nikolayevich Yakovlev. NEZAVISIMAYA GAZETA reported that at the end of the second day of the CPSU Central Committee plenum, at the demand of some of its participants the question of excluding Aleksandr Yakovlev from the CPSU was put to a vote. It's true that this idea did not receive wide support. Only about 10 Central Committee members voted for excluding him.

However, well, on Monday, VECHERNAYA MOSKVA reported that Aleksandr Yakovlev announced his decision to quit the post of senior adviser to the USSR president. In the opinion of observers, the fact that Yakovlev made this decision on the eve of the U.S.-Soviet summit, and that he did not give any grounds for his step, puts Mikhail Gorbachev in an awkward position. But, well, I do not think that this fact puts our esteemed president in an awkward situation. I think that ultimately everything, including the development of events up to the present day, led to Aleksandr Yakovlev to not be able to stand it and to his leaving the president's entourage.

I have very great respect for this person, very great respect, and even the fact that he is not leaving the Communist Party of the Soviet Union evokes my respect, since he does not want to leave this party to be torn apart by who knows what kind of people—the orthodox, conservatives, people, who on the whole, cannot act according to principles. But we will speak of principles further again, further again.

Internationalist Organization Opposes Union Treaty

OW2907050391 Moscow INTERFAX in English
1500 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] "We are very concerned about the position of the non-native population in most of our republics," the Chairman of the Central Coordinating Council of Internationalist Movements in the USSR, Igor Lopatin, has said to our correspondent.

He also said that he had sent letters to the Soviet President, Mikhail Gorbachev, the Chairman of the USSR Supreme Soviet, Anatoliy Lukyanov, and to the Supreme Councils of the Union republics, in which he says that the Soviet internationalist movements feel serious concern about the planned signing of the version of the Union Treaty agreed on at Novo-Ogarevo.

"The intermovements reject this attempt to transform the federative Union of Soviet Socialist Republics into a confederation, which is only to comprise part of the present-day Soviet state," the letter emphasises. "This will lead to discrimination against the majority of the peoples."

"The activity of the participants of the Novo-Ogarevo process, who have not been given powers to change the political structure of the country, runs counter to the will of the Soviet people, which they expressed at the all-Union referendum on March 17, 1991."

The letter stresses that the signing of this version of the Union Treaty will force Intermovement members to step up their struggle to preserve the unity of the USSR and defend their rights.

According to Lopatin, the Council of Internationalist Movements in the USSR represents the intermovements of Estonia, Latvia, Lithuania, Moldova, the Ukraine, Kazakhstan and Abkhazia.

Pavlov Answers Contest Winners' Questions

LD2907213191 Moscow Central Television First Program Network in Russian 1840 GMT 29 Jul 91

["Topical Interview" program with USSR Prime Minister Valentin Pavlov answering questions from RABOCHIIYA TRIBUNA competition winners, presented by Aleksandr Krutov in the studio on 29 July—recorded]

[Text] [Krutov] Two months ago, RABOCHIIYA TRIBUNA, the newspaper for the social protection of working people, announced a competition: Your Question to the Prime Minister. The winners, in other words those people who asked the best and most interesting questions would be invited here to Moscow to a meeting with Valentin Sergeyevich Pavlov. So, eight winners have been determined, and today they are meeting the prime minister.

[Begin recording] [Forsunov] My name is Forsunov, from the town of Yeysk—a pensioner and participant in the Great Patriotic War. For 29 months of the war I fulfilled a special assignment behind enemy lines. I am an intelligence officer. My question is this: the government of Comrade Ryzhkov led our country into a blind alley. What are your guarantees, Comrade Prime Minister, that you will not lead our country in the same direction as Ivan Susanin led the Poles? [Susanin was a 17th Century peasant hero who led a force of Polish insurgents into a swamp]

[Pavlov] I will not relate the history of perestroika in recent years, but the fact of the matter is that we have been unable to solve many questions properly during the period of perestroika. We failed for one simple reason, if we are to be frank and open about it, and that is that we were always afraid to tell people that the population's economic situation might deteriorate. So the first dilemma of each group who took office was how to tell people that they could expect a deterioration in the situation.

You know, a decision that bread prices, must be changed was adopted in 1981. All the price lists were sent out, but then Brezhnev died exactly 17 days before the introduction of the new prices. That was how long ago it was. The first question which Gostev, Ryzkov, and Gorbachev took to Comrade Andropov now was the question of new bread prices. At that meeting they advised him roughly as follows: that it should now be postponed for one or two months. So now, to be honest, we have reached a situation—let's be frank—where we have fallen seriously behind with all decisions. In this sense I believe quite simply that if we do something—take the most unpopular steps—then we are doing so because we are convinced there is simply no other way. Unfortunately, I can tell you frankly that in TRUD, when my first interview was published, why is it that no one noticed the main thing I stated there, and that was that we must modernize our industry? People immediately tried to say to me—he is again calling for a new industrialization—and there the question was closed. Everyone was concentrating on the war of the banks and they forgot about the main thing, about what I stated there; that if we really wanted to get out of the crisis then we must do everything now to restore our industrial base.

In this sense, whether we like it or not, we have to reckon with two real things. First, it is a fact that we are in a right fix: Unless we purchase Australian wool, Italian thread and German dyes, our light industry output will have to fall by half. How can I but admit it frankly if I know that we buy one in four kilograms of butter and sunflower oil. How can I say anything if I know quite precisely that without grain imports, we cannot feed the country until the harvest? Whether we like it or not, we have to reckon with this. In this sense, therefore, we do many things—this must be said quite bluntly—not because we want to, but simply because we are being pinned down very clearly.

In this sense here's a simple example for you. Despite all our, so to speak, seemingly good relations at present, and this, that and the other, the Coordinating Committee for Multilateral Export Controls lists have not been made any shorter. That is, no one has cut the lists of what it is forbidden to export to the countries of Eastern Europe, and first and foremost the USSR. Not a single thing has been crossed off them. On the contrary, they are being checked through again with a view to making them stiffer.

Now then, what is on the lists? The lists contain primarily the most progressive machine-building technology. So, we are not given the opportunity to create at the necessary level, so to speak, the production which would enable us in principle to be independent. Medicine can be bitter, that I know too. I know that it should be spoken about openly not meted out on the quiet. Well, and if what is currently happening in our country continues—and we ourselves are contributing to it in the sense that we are breaking all our economic ties, and politics in our country is today leading toward the whole country being practically autonomous—well, in that case, what can I say to you? No, I will not make any secret of it, I will get up and go away. [indistinct murmurs from audience] I will not carry on.

[Volchkov] Valentin Sergeyevich, as a competition winner, I should if possible like to put three questions to you.

[Krutov] Introduce yourself, please!

[Volchkov] Volchkov, a Moscow worker. When you were minister of finance you spoke some very sound words. We have a great many people who work but who do nothing and receive wages for nothing. This is my question: How many workers do we have in our country who have no work and who produce neither material nor spiritual wealth but who receive their pay every month at the expense of working people? How many thousands of millions out of the state budget go up the chimney each year in our country? It's an astronomical figure, that I know. You must answer in simple terms and give the figure, if only approximately. My third question is this: What is the working efficiency of the 20 percent of the world's scientific elite that is concentrated in our country?

[Pavlov] If I speak about the system for governing the state, then if my memory serves me right we spend 1.7 billion [rubles] a year on it, on everything, on the whole government system, that is to say Soviet power, the courts, the procuracy, everything, although the whole system for the management of the national economy is put I think at 43 billion, if I remember correctly. I'll tell you now that we could eliminate some ministries tomorrow. I put it this way when we presented the system of the Cabinet of Ministers but as we can see for ourselves they then gave us an additional 17 ministries in the Supreme Soviet, ones that we hadn't imagined, as you know. We cut 122,000 but 172,000 I think was added in the works. So what is happening is this: something is taken from one place and transplanted to another. As far as the question of how much money in our country goes up the chimney I think that it is somewhere around 10 percent that disappears.

If I'm to talk about science, the chief misfortune of our science is this: That generally it works either for itself or for the West. The whole question, you understand, amounts to this, that our work in the scientific establishments is isolated from the real possibilities for

implementing these scientific achievements in practice. In general, therefore, I would say that we have inflated our science.

[Unidentified questioner] Nevertheless the future of our country depends upon how our children grow up, how they grasp what is to come. All the same I hope that it will be better than now. Do you now know the extent to which...the position in which our privileged class [children] finds itself and what is being done to ensure that even today the children have a present and that the country in the time to come has a future. In other words we have doubts about some things today, we are looking for something, we are changing something and we are looking again at our past. So do you think that the children should share this with us or does the government believe that they can in some way be protected against this so that they can more or less have a present today?

[Pavlov] You know, children, as I see it, the problem of children today depends first and foremost on two things: on the position of mothers, and on teachers. These are the two key aspects that have to be tackled. So, well, I would not like to say that... no, I myself, in general, am fed up with all these plans and programs, sick and tired of them, but I do think that the main thing that must be done is, generally speaking, to liberate mothers, so that mothers can look after their children. In this sense I know many specific examples where pay is quite high, and where it would be possible for the mother not to work, and an interesting situation is taking shape in these regions—we have kindergartens and creches which are not full. There are also enterprises which are starting to pay mothers their average wage to stay home for up to three or five years, and they consider it advantageous. These enterprises don't need to build kindergartens or creches; they make savings like this, and reckon that they win out in this way. So, the main problem in fact is the snag in that we have to make what I would call a major turnaround in our thinking and in our actions. In this sense, we do have such a program today for the mother and child. We recently submitted it to the Supreme Soviet.

[Unidentified questioner] Would you agree to pay me 1 million rubles for an idea, if I can really find several tens of billions every year until you extract the country from economic crisis? [Pavlov] Since that is such an alluring proposition, I would not like anyone else to take advantage of it, so I propose that to begin with, you patent it. As soon as you get your patent, we will pay you immediately for the patent, as reward for an invention.

[Unidentified questioner] Do you think that our country needs to implement an automated system of income and expenditure control of personal property of citizens in the USSR? And if yes, are you ready to pay \$500 million dollars for such a system? [Pavlov] Well, you know, I don't think anyone has any doubts that a system should be implemented, for one simple reason: If we are heading for a market economy, then we must concern ourselves

about checking the cleanness, so to speak, of incomes that you receive in that economy. That is the first part of the question.

The second side of the question is that we, after all, dealing with this matter. I have to tell you that here in the USSR there have been a great many splendid schemes on this subject. Incidentally, we have schemes which are superior in quality to world standards. We know how to do this, we know it all, but so far, unfortunately, we don't know how to implement them physically. [Unidentified questioner] Well, you speak constantly about a market economy but we are not moving forward. When will we get to this market economy?

[Pavlov] A market means, first and foremost, an owner, the existence of an owner; an owner, as distinct from what we call state ownership. You know, this may be either private or collective ownership. Now, let us—you and I—decide whether we are ready to sell today? People put this task to me: Let's be quick, let's sell! You can sell things off in a couple of minutes. Only the whole question will be the same again—to whom and at what price? Is it necessary? Will the country be the better for it if we sell things off, or not? Well, I can assure you that if we start selling things off today then things will be worse. I guarantee you that 100 percent. Therefore, in order not to make mistakes, the most important slogan when we are moving toward the market—I assure you—there must be one slogan: Take care! Because if we approach a market on the basis of increasing production volumes through things like private initiative, then I am in favor of such a market. But if all we want to do today is replace the owner and help to provide goods or, as you put it, to launder money, then today we must proceed along the path which we are being called to and as quickly as possible.

So let us determine what we want from the point of view of moving more quickly toward a market. What do you understand by more quickly? The first things are these: a market means freedom of prices. Right? We today...you, yourselves, tell me, honestly, how do you understand it: Are we prepared for a new price hike? What will happen after that? What kind of market will we have? None at all, there will be a pogrom. Second, are we prepared today to send people out on to the street, because not one private owner or collective owner today will allow wages to be paid as we are paying them. You know perfectly well that production in this half-year fell by 12 percent, whereas wages increased. Where, what kind of owner is would allow such a joke? He will throw people out! Are you prepared for this? What are we to tell our society—okay, chaps, go to the labor exchange, and then it will, indeed, be necessary to put some 30 million people on the dole. Will our society cope with this? What do you think? Will our society stand for such a joke today? I doubt it very much! People will then say: Take your market out of here and go with it double quick! So, if we want to do the job, then we must on no account go too far. We can only do as much as it is possible to do, and as much as we can stand so that the individual can

perceive the market, and if the individual can perceive the market only through the prism of a simple deterioration, a blind alley, where there is no light—not just at the end of the tunnel—but no light at all, then I assure you that there will be nothing less than civil war. I will never go along that road. [video shows Pavlov answering questions from competition winners]

Pavlov, Shcherbakov on Trade Union Accord

LD2807055691 Moscow All-Union Radio First Program Radio-1 Network in Russian 1635 GMT 27 Jul 91

[Report by commentator Yakov Smirnov; including recorded remarks by Valentin Sergeyevich Pavlov, chairman of the USSR Cabinet of Ministers, and Vladimir Pavlovich Shcherbakov, chairman of the General Confederation of Trade Unions]

[Text] [Smirnov] We have reported several times comrade on this year's agreement on labor and socioeconomic affairs between the USSR Cabinet of Ministers and the country's General Confederation of Trade Unions. Over three months have now passed since it was signed. So how is the implementation faring? This was the subject of a meeting today between the leaders of our government and of the trade unions. To be honest, I was surprised by who attended the meeting on the government side. Comrade Pavlov, chairman of the country's Cabinet of Ministers, was there himself, together with his deputy and the ministers of finance, of labor and social affairs, of the coal industry, of power and electrification, and all manner of other ministers. That level of participation itself speaks of a notable reorientation on the part of the government, of it making a turn toward our vital needs and of the greater esteem in which the trade unions are now held. Almost everyone who spoke today addressed the head of the Pavlov cabinet as Valentin Sergeyevich, followed by we ask... we demand... something has to be done at once about... we can't go on like this... and so on in the same vein. There were words from the heart, sometimes even sharp words, but no offence was given or taken. And my feeling was reinforced that our trade unions are transforming themselves before our eyes from an inert, submissive adjunct to the party's reins of power into a genuine defender of—not just a voice for—the interests of working people. That, of course, is something to be pleased about.

But there were also sources of bitterness. Disagreements remain over the minimum consumer budget. Work has not been completed on concluding pay-rate agreements for individual key industries. And rates have to be determined for sick pay, for pregnancy and maternity supplements, for children's meal allowances when they visit camps, or for compensation for the increased cost of visits to trade union sanatoria. Under the agreement, payments into the USSR Social Insurance Fund to cover these were to amount to no less than 30.2 billion rubles. An employment program has not yet been devised, nor has an unemployment benefit fund been set up. What is more, even a coordinating committee for placing laid-off

people in new jobs has not been formed. And there are other points too which ought to have been implemented by now.

When the meeting was over I invited Valentin Sergeyevich Pavlov, chairman of the USSR Cabinet of Ministers, and Vladimir Pavlovich Shcherbakov, chairman of the General Confederation of Trade Unions, to the microphone. There was just one main question: how they see the outcome of the meeting and the prospects for further cooperation. First to answer is Vladimir [as heard] Sergeyevich Pavlov.

[Pavlov] Well, I should tell you I am generally happy above all with the fact that, for instance, the expectations we vested in this agreement are being justified today. They are being justified in the sense that there were very many skeptics asking whether such an agreement was needed, whether it needed to be concluded now. And in general there were many who were opposed to this, who thought it was unnecessary at this time, that it was untimely step, that it would not leave the government room in general for flexible maneuvering. And that, on the other hand, it might put the government in a position where it would be incapacitated as far as the agreement was concerned. In other words there were a good many who opposed such an agreement and from various points of view.

I can tell you today that I personally consider that we concluded it at the right time and were correct to do so. Though the experience we have been acquiring during this period shows that there remains much here to finalize and refine as regards forms of working together and, for instance, the scope of one issue or another, that is, in the first place, the degree of detail into which we go, responsibilities, levels of distribution, and so on. Of course, in this agreement it will be necessary to work out... to take into account what are essentially new state mechanisms based on the Union treaty, and also from the point of view of owners, given that the question immediately arises here of a multiplicity of forms of ownership, of distribution of property in the light of independence declarations by republics. And these issues do exist. How could they fail to be reflected at this time? We have been acting on the basis of what we had, but this does not mean that we should not have set off along the path.

That is the main thing—that we were correct to set off along this path. Now for the matter of implementation. If one looks at the relative proportions of problems which were earmarked for implementation during this period and those which remain unimplemented today or are being implemented in an unsatisfactory way, then you will see that the greater part of the questions do actually have to do with the area of agreements that have been fulfilled. This does not mean that they have already been completed in their implementation, but at this moment, when we are all examining them today, they have been implemented from the angle that things are in full swing. They have been initiated, and are going in the

right direction. Take such a highly fundamental angle as the conclusion of wage agreements for 1992. The work is under way—many industries have already concluded these wage agreements and others have prepared them, and yet others have some issue of principle which is now finding a solution of some sort. And I believe that this is evidence already that indeed the search for new relationships, relationships of what is called social partnership, mutually beneficial partnership founded on common interests—for in essence it is we who represent, to one extent or another, well... all-Union property, above all, and the state as a whole. And then the trade unions represent the working people. There is no argument about this.

We must not have antagonistic contradictions. And life is showing that we have been right to embark on the road of such a quest for partnership and mutually advantageous, mutually correct solutions. Well, I must say that in general I reckon that argument is a healthy phenomenon. The contradictions which may arise are also a healthy phenomenon. They simply help to find the right solution and to move more quickly, that's all there is to it. I hope that we will continue to move forward at a faster pace.

[Smirnov] But the trade unions, protecting the interests of the working people, they occupy quite a harsh position concerning the work of the government. How do you assess this side of the work of the trade unions themselves?

[Pavlov] Well, what can I say to you? After all, there is just one point which for certain of our listeners causes incomprehension, or skepticism; that the trade unions have suddenly, in a manner of speaking, sharply changed their tone, their approach, their attitude, and so on. That is, they used to be obedient and subordinate to government structures, but now they have suddenly spoken up for themselves. But, after all, one must bear in mind that the system, has changed. The whole system itself, and the state and economic administration, it is changing, and hence this creates the preconditions, on the one hand, and on the other, it makes demands on the trade unions themselves to seek out their place in public life, and in economic life, their place in the political structure of our society. And if in the new conditions the trade unions act, to put it mildly, like a velvet kitten, they won't be able to solve their tasks, or the tasks of the workers who elected them and put them here. And the trade unions, you know, are bodies that at an election, if they make a bad job of defending, they won't get reelected. It's not a long-term thing! these are not the times for baby talk. If we all just concentrate on avoiding giving offense to the people we are talking to, then you won't get anything done. The situation is difficult and complicated, and so there's no time for baby talk, let's say that plainly. I reckon that this is absolutely right. I don't take offense, at any rate.

[Smirnov] Vladimir Pavlovich Shcherbakov.

[Shcherbakov] I would like to voice satisfaction over the fact that the deadlock has been broken. Some individual questions have been resolved. But there are still some questions for which a principled approach is needed and a principled solution. In particular, this applies to social insurance, in which as yet not much progress has been made, though I do think that we shall nevertheless manage to find a mutually acceptable solution. For we have mutual understanding; it is just that we are quite unable to find sources of financing. Part of it will come from an increase in our insurance rates, which is something we were seeking. An absolute figure has been mentioned, but how to guarantee that absolute figure? That is a question which unfortunately has not yet been resolved. And of course there is also the question of the minimum living wage—this is one which requires additional work. And, proceeding from what was discussed today, I believe that it will be put before a meeting of the Cabinet of Ministers again before too long, because there is too much that depends on this matter. I mean, possibilities for concluding wage-rate agreements, possibilities too for further indexation of people's income. All of this stems from the basic question of the minimum living wage, and it is all the more important at this time when we are in the transition to market relations, since it is at this time when the least protected strata in our society, in our population, are likely to feel these pressures on them most strongly.

[Smirnov] It struck me that today's meeting effectively was the government rendering an account of itself to the trade unions. That is also something that has not happened before. Do you intend to keep holding such meetings in the future?

[Shcherbakov] Well, there's nothing shameful in this. And indeed in the practice of civilized countries governments quite often give an account of themselves. I think that we too should have such relationships in the future.

[Smirnov] do you feel sure that this agreement will be carried out?

[Shcherbakov] Well, in the first place, it has already been carried out in part. Other parts are in the course of being fulfilled. And we are bending our efforts to get the working people to support us in this, to ensure that the agreement is indeed carried out.

Zhirinovskiy Says Coup 'Last Step To Save State'

LD3007111391 Moscow TASS in English 1037 GMT 30 Jul 91

[Text] Moscow July 30 TASS—Soviet Liberal Democratic leader Vladimir Zhirinovskiy, who made national headlines ending third in the race for Russian president, has said President Mikhail Gorbachev began perestroika without a clear-cut plan.

"To begin an experiment in a country taking up 22 million square kilometers and populated by 300 million people, without guidelines and clear-cut goals is reckless," Zhirinovskiy said.

"Sobchak, Popov, Yakovlev, Shevardnadze and their faction, as well as Rutskoy and his associates are working towards confrontation, rather than unity and accord," he said, blasting organisers of the new Movement for Democratic Reforms.

With all its drawbacks, the old Soviet system ensured stability and certainty in the future, he said.

"We were calm. This was the most reliable country in the world," he said.

It is a suicide to create a new system and dismantle old ideology and political and state system just like in 1917, destroying the bourgeois state of nobility and intelligentsia, he said.

Zhirinovskiy supported the "address to the people" recently circulated by several writers, cultural figures and military commanders in which they called for the creation of a National Patriotic Front.

"We resolutely oppose all separatists, aiming to dismember our state, move border posts and alienate nations," Zhirinovskiy stressed.

A military coup, when those determined to stop the country from sliding into the abyss will come to power will be the last step to save the state, he said.

Liberal Democrats will be doing all they can to unite patriots who want to preserve Russia within the borders of the Soviet Union and in the framework of the 1977 constitution.

Background to Yagodin Resignation Viewed

PM3007094191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 25 Jul 91 p 1

[Feature comprising TASS report, editorial comment, and O. Chistenkova report under general heading "Cabinet of Ministers Is Putting a Good Face on It"]

[Text] Thanks to KOMSOMOLSKAYA PRAVDA, the news instantly flew round the country that G. Yagodin, chairman of the country's state committee for public education, had been dismissed "with one stroke of the prime minister's pen" allegedly because he had spoken out against the draft of students to military service, their recruitment to agricultural work, and other issues testifying—judging by the tone of the article—to the democratic nature of the views of Gennadiy Alekseyevich's, who "does not suit the current government."

Is that how things really are? Answering this question put to him by your TASS correspondent, Yuriy Mikhaylov, leader of the USSR prime minister's press service, reported that the prime minister had nothing to do with

Yagodin's resignation. Furthermore, his resignation has absolutely nothing to do with "the parliamentary vacation, nor the USSR president's London meeting," nor many other things that the mass media has confidentially disclosed in recent days and that readers have "surmised."

Mikhaylov explained that the Cabinet of Ministers as a whole had nothing to do with Yagodin's decision to resign. The point is that a request "to retire on pension in connection with my reaching pension age" was sent by the esteemed Gennadiy Alekseyevich to the USSR Council of Ministers, and it was dated 27 December 1990. On the basis of this statement, the former Council of Ministers adopted a special resolution 25 January 1991 "On Material and Everyday Provision for Comrade G.A. Yagodin." It was signed by L. Voronin, deputy chairman of the Council of Ministers, and M. Shkabardnya, administrator of affairs, and it testifies to the fact that a personal pension of 150 rubles [R] a month was established for Gennadiy Alekseyevich Yagodin.

As for V.S. Pavlov, the leader of the press service said, he only signed one document: As he did not agree with the previously adopted USSR Council of Ministers resolution, the prime minister awarded G.A. Yagodin "a personal pension of R400 a month."

The leader of the press service does not know to what extent this "common wish" coincides with "the will of Prime Minister V.S. Pavlov," as IZVESTIYA supposes.

Just as he does not know that "the prime minister was most afraid of the students" when he sent Yagodin into retirement, as P. Polozhevets, chief editor of UCHITELSKAYA GAZETA, affirms in his speculative arguments in defense of the minister and the whole of public education. Like a provincial oracle—of whom there are so many nowadays—in his surmises on why "Yagodin was sent away," he went further than many people: He predicted calls for student strikes.

It is also noticeable, the leader of the press service said, that in all this loud noise there is more "politics" and propaganda ballyhoo than knowledge of the facts. After all, not one of the journalists who stood up in defense of Yagodin turned to the Cabinet of Ministers or to the press service for an explanation or expressed any interest in the real state of affairs. Every one of them tried to present their conjectures as the highest form of truth.

We would not like to have to remind them of journalists' dignity and decency. This is a question of something elementary—professionalism, when any printed matter should be corroborated by proven facts. [TASS report ends]

From the editorial office. The reader can judge the style of the TASS report for himself. But let us recall a few things.

The first official comment on this subject came directly from Deputy Prime Minister B. Rakhimova (see

KOMSOMOLSKAYA PRAVDA 20 July). There was no mention either then or during the April campaign for Yagodin's "departure," which we also wrote about, of a statement (a usual formality in an apparatus).

It is also unclear who dismisses our ministers, if the prime minister "has nothing to do" with it, and why the minister himself finds out the "reasons" for his dismissal a week after it happened.

However, the thoughtful reader will understand everything when he reads the report that came in last night:

...And the President Puts Right A Wrong Move

Yesterday USSR President Mikhail Gorbachev instructed Gennadiy Yagodin to carry out the duties of chairman of the USSR State Committee for Public Education until the Supreme Soviet session. This was greeted with prolonged stormy applause in the State Commission for Public Education.

Talks Seek To Avert Air Traffic Control Strike

PM3007090891 Moscow ROSSIYSKAYA GAZETA in Russian 26 Jul 91 p 3

[Report by Yekatarina Vasilchenko: "Conflict—One Moment Takeoff, the Next Touchdown"]

[Text] To all appearances, the USSR Ministry of Civil Aviation has taken seriously the threat of the Federation of Air Traffic Controllers' Trade Unions to start a strike on 10 August. At the moment talks are proceeding between the department and trade union leaders. The air traffic controllers have repeated their demands (see ROSSIYSKAYA GAZETA, 19 July).

The talks' initial results were the following: It has been resolved to send a joint letter to the leaders of those aviation enterprises at which the air traffic controllers are being persecuted for getting ready to participate in the May strike which simply did not take place. Unlawful actions by the administration have already been recorded at three airports: Bykovo, Pulkovo, and Khatanga.

Acting Minister of Civil Aviation A. Goryashko has also attempted to obtain a promise from the union representatives that the strike will not take place. But he didn't succeed. There is too much risk that the agreement will again turn out to be a fiction.

Cabinet Resolution on New Visa Duties Published

LD2907162191 Moscow TASS in English 1452 GMT 29 Jul 91

[Text] Moscow July 29 TASS—A resolution of the Soviet Cabinet of Ministers, "On the procedure and rates of state taxation of the official registration of documents concerning the entrance to and the exit from the USSR", was published here today.

As far as foreign citizens are concerned, the following duty rates have been fixed by the government:

- 100 roubles for granting an exit and entrance visa for the foreign passport, as well as for the prolongation of this visa,
- 50 roubles for the introduction of any changes into the previously granted documents,
- 50 roubles for granting documents on the invitation to the USSR,
- 50 roubles for granting or the prolongation of the residence permit, as well as for the registration or the prolongation of the term of the registration of foreign passports,
- 500 roubles for the application for soviet citizenship.

The duties will increase 50 per cent in case of an application for an ahead-of-schedule official registration.

The resolution was enacted on July 1, 1991.

Nenashev on Aims of Press and Information Ministry

*PM2907090191 Moscow IZVESTIYA in Russian
25 Jul 91 Union Edition p 1*

[Report by A. Aslanyan: "Why the Goskompechat Is Becoming a Ministry"]

[Text] M. Nenashev, USSR minister of information and the press, has held a press conference in Moscow at which he stressed the need for the state to monitor market mechanisms.

To this end, a new ministry—the former State Committee for the Press—is being set up. The fact is that, as a result of the commercialization of publishing, considerable distortions have emerged in the publication of books, newspapers, and magazines. Formerly censored subjects—history, religion, and sex—have come to the fore in commercial publishing. As a result, readers have failed to receive around half a billion books of classical works and children's literature. According to M. Nenashev, publishing needs a change in the pricing and tax system.

Among various problems M. Nenashev mentioned the deteriorating material and technical base and the shortage of alternative distributors of periodicals in the country. In response to a question about the ministry's relationship with the All-Union Television and Radio Company, M. Nenashev said that in the future it may prove possible to merge these state structures. One other point: The Ministry of Information and the Press will cooperate with commercial enterprises and set up its own joint-stock companies.

Institute of Marxism-Leninism Name Change Viewed

*PM2907093991 Moscow KRASNAYA ZVEZDA
in Russian 25 Jul 91 First Edition p 4*

[Answer to reader's letter by M. Gorshkov, doctor of philosophical sciences and acting director of the CPSU Central Committee Institute of the Theory and History of Socialism: "What Is Behind the New Name?"]

[Text] "I have heard that the CPSU Central Committee Institute of Marxism-Leninism has been renamed. Doesn't this mean that our party is thereby renouncing its revolutionary teaching? After all, the CPSU has always thought of itself as the party of Marxism-Leninism.

"[Signed] M. Rzayev, Kherson."

It is not a matter of renouncing the ideas of Marx, Engels, and Lenin. As the successor to the CPSU Central Committee Institute of Marxism-Leninism, our scientific center will deal with the fundamental problems of modern socialist theory and the detailed study of world socialist and democratic thought.

However paradoxical it may seem, ever since the party which first proclaimed the building of socialism to be its aim came into existence, it has never had a special scientific center where socialist theory is formulated seriously and in depth.

The old name, as the experience of many years' work by the institute showed, essentially geared the collective to the almost automatic and exclusive reproduction of sayings from the classics which were formulated for specific reasons in their own time. Nowadays, however, the institute is facing problems which it used not to tackle before—indeed it is involved in earnest in elaborating the problems of socialist theory and history.

But we all know that the socialist idea cannot be reduced to Marxist tradition alone. This idea is not just a century old. It has a pedigree. And in order to understand the dialectic of the development of socialist thought and to derive something useful and valuable from other teachings, it was necessary to extend the limits of our study.

In changing the name, we are certainly not renouncing Marxism, let alone its scientific methodology of study. We favor a qualitatively new standard in studying the legacy of its classics so that we can scientifically promote other representatives of socialist thought whom we all have long neglected.

Mass Graves of Stalin Victims Discovered

*LD2907213691 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1900 GMT 29 Jul 91*

[Text] Ten secret mass graves were found in forest clearings on the outskirts of Chita by workers of the local directorate of the USSR Committee for State Security. The procuracy has opened a criminal case. During the

investigation, a great deal of information was gathered, proving conclusively that the Chita security men had found one of the sites of mass burial of Transbaykal residents shot in 1937 and 1938. It has been decided to hold a civil funeral at the site of burial of the victims of Stalinism, with a burial service for the deceased and the unveiling of an obelisk in sorrow and in memory.

Special Meat Store Still Serves CPSU Elite

914B0259A Moscow ARGUMENTY I FAKTY
in Russian No 28, Jul 91 p 1

[Report on interview with S. Andreyev, former director of the central wholesale distribution center of the Moscow Meat Packing Plant, by ARGUMENTY I FAKTY correspondent V. Buldakov; place and date not given; published under the rubric "For ARGUMENTY I FAKTY Readers Only"]

[Text] The editors often receive requests to provide information on special distribution centers that supply meat and dairy products to the government and party (CPSU) organizations. It is not easy to obtain this information: It is guarded as if it were a state secret. Nevertheless, our correspondent V. Buldakov met with S. Andreyev, former director of the central wholesale distribution center of the Moscow Meat Packing Plant, and asked him to answer our readers' questions.

[Andreyev] The Moscow Meat Packing Plant does have a special shop—the only one in the capital—which makes products of exceptional quality (five to seven tons a day) from the highest-grade meats. It was most likely set up before the "first perestroika" of the 1960's; the meat packing plant itself is over 55 years old.

The shop has always fed, and continues to feed up, the higher party and government bodies located in the capital.

Until January of this year, for instance, the CPSU Central Committee Administration of Affairs had been receiving special bologna, regular balyk and fillet cured meats, pastrami, and other delicatessen items. Then they got into perestroika and refused to take special goods. I do not know why.

Regardless, there are still enough "gourmets" in the capital. Until I was fired from the distribution center (that is, until spring 1991), the following organizations "helped themselves" at our center: Center No. 501 of the CPSU Central Committee Politburo (80 kilograms a day), which still exists to this day; the city party committee (100 kilograms a day); and the CPSU Central Committee and Center No. 208 of the USSR Council of Ministers (14 tons a day).

Special-quality products are also supplied to plenums, party conferences, and congresses of people's deputies. For instance, a city party committee plenum "eats up" about two tons of meat products a day. A congress of USSR people's deputies requires so much food that

sometimes we send frankfurters that are packaged not in special casings (as is normal) but in cellophane (about 8,000 to 10,000 units a day); 300 to 500 kilograms of bologna; 100 to 300 kilograms of summer salami; and 200 kilograms of hard salami a day.

Let me add that special products are always sold at current retail prices.

This special shop is now called a "medical nutrition shop." About 50 people work there. Everybody knows what, why, and for whom they produce. [end Andreyev]

FROM THE EDITORS. We have learned that the CPSU Central Committee Administration of Affairs Department is off its "medical fast" and is now again into the rations of the special meat shop.

KGB Spokesman on Antiterrorism, Armenian Clashes

LD2907092191 Moscow Radio Moscow World Service
in English 0800 GMT 29 Jul 91

[Text] General (Karbayev), in charge of the public relations center of the USSR State Security Committee, has described antiterrorist activity as a major task for the organization. He disclosed in an interview that more than 200 terrorists have been arrested and 27 hijack attempts have been thwarted over the last two years. The general stressed that terrorists began to actively cooperate with the narco-business barons and arms dealers.

Touching upon events in Nagorno-Karabakh, where a bitter ethnic conflict has been persisting, he linked them to activity by the so-called Secret Liberation Army of Armenia. The army leaders favored total independence for Armenia and do not rule out an armed struggle to achieve their objective.

Russian Lutherans Hold First Synod Since 1924

OW3007044291 Moscow INTERFAX in English
1330 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] On July 27 a service took place near the Sts. Peter and Paul Cathedral in Moscow which formerly belonged to the Evangelic-Lutheran Church. As Jozef Baronas, the superintendent of the Russian Lutheran Church, said, "The spiritual blockade has ended and the revival of Lutheranism in Russia brought from Europe by Peter I is joining the Orthodox and Catholic Churches to serve all those suffering."

The Russian Lutheran Church held its first synod since 1924 in Leningrad appointing Jozef Baronas as its head.

TASS Reviews 30 Jul Soviet Central Press

LD3007085891 Moscow TASS in English 0640 GMT
30 Jul 91

["Soviet Press Review"—TASS headline]

[Text] Moscow July 30 TASS—Newspapers highlight the Soviet- U.S. summit which begins in Moscow today. President George Bush arrived in the Soviet capital on Monday.

At Sheremetyevo Airport, he was welcomed by Soviet Vice- President Gennadiy Yanayev, Foreign Minister Aleksandr Bessmertnykh and other officials.

Under the headline "The Meeting of Presidents", PRAVDA briefly writes about what Bush brought with him in his portfolio for the summit and carries photos of Gorbachev and Bush.

Newspapers publish a statement circulated by the White House on behalf of the U.S. President on the eve of his departure to the Soviet Union.

There are reasons to believe that the visit to Moscow will be successful, the statement says.

PRAVDA carries an interview with Gorbachev's spokesman Vitaliy Ignatenko. The summit will be capped by the signing of the START treaty, Ignatenko said.

The summit is doomed to success, KOMSOMOLSKAYA PRAVDA writes.

PRAVDA carries the schedule for the summit's first day.

Newspapers publish a cabinet resolution on fees levied for registering documents to enter and exit the Soviet Union.

Travellers will now pay 100 roubles to enter or leave the Soviet Union or to extend a visa, 50 roubles to make changes in papers, 50 roubles for an invitation to the Soviet Union, 50 roubles for extending or issuing a residence permit or registering foreign passports and 500 roubles for an application to become a Soviet citizen.

Fees are increased by 50 per cent in case of urgent registration.

PRAVDA publishes greetings by the Soviet Communist Party Central Committee Secretariat to the South African Communist Party on the occasion of its 70th founding anniversary.

PRAVDA continues publishing speeches at the recent party plenum.

SOVETSKAYA ROSSIYA reports that Russian President Boris Yeltsin and Lithuanian Leader Vytautas Landsbergis signed a Russian- Lithuanian cooperation treaty in Moscow on Monday.

The document has great importance for both sides, Yeltsin told reporters after the signing ceremony.

Lithuania and Russia agreed to cooperate in culture, health care, education, science, information technology and other spheres.

PRAVDA publishes a statement by the Soviet Constitutional Compliance Committee, denouncing reports in several newspapers which alleged that the committee was ordered to consider Yeltsin's decree banning political activity at workplace and that it would make a conclusion on the issue within two weeks.

SOVETSKAYA ROSSIYA carries an article by Liberal Democratic leader Vladimir Zhirinovskiy on developments in the Soviet Union.

Economic

Ten Percent Drop in GNP Forecast

LD2907171991 Moscow All-Union Radio Mayak Network in Russian 1400 GMT 29 Jul 91

[Text] The economic situation in the USSR this year is characterized by an increase in crisis. If last year the decline of the gross national product amounted to 2 percent, then this year it has dropped by almost 10 percent. This was reported in an economic prognosis for 1991 prepared by scholars of the USSR Academy of Sciences. The cutting of imports, tightening of finance policy in connection with price reform and an escalation of the interrepublican war of sovereignties are affecting the scale of the crisis.

Economic Prospects for 1991-1992 Examined

PM3007091591 Moscow IZVESTIYA in Russian 24 Jul 91 Union Edition p 2

["Some conclusions" from the USSR Academy of Sciences Institute of National Economic Forecasting's 1991 USSR Economic Development Forecast; first paragraph is editorial introduction: "What Is In Store for Us Before the End of the Year"]

[Text] Recently the USSR State Committee for Statistics published a report on the state of the country's economy based on the results of the first half of 1991. What state will we be in by the end of the year? That is the subject of the forecast of the USSR's economic development for 1991 by the USSR Academy of Sciences Institute of National Economic Forecasting (director—Yu.V. Yaremenko, corresponding member of the USSR Academy of Sciences), some of whose conclusions are presented in the article published today.

Could Catastrophe Happen?

The crisis slump in 1991 will not have catastrophic consequences for the national economy. By the end of the year the economy will reach a state of unstable macroeconomic equilibrium with an aggravation of the structural imbalance, particularly in connection with the reduction of imports (by 48 percent) and a fall in investments (16 percent). Despite the powerful deflationary effect of the price reform the considerable inflationary potential, assessed in the consumption sphere at

258 billion rubles [R], will persist to the end of the year. The budget deficit will be R172 billion.

Averting the irreversible processes of the disintegration of the investment sector, the catastrophic contraction of the energy and raw materials base, and the fall in the population's living standard clearly demands the pursuit of a rigid incomes policy.

A critical situation is developing in the investment sphere of the economy. The dramatic nature of the situation is due first and foremost to the shortage of financial resources among clients in connection with the anticipated (for the year as a whole) increase in estimated prices in construction of 110-120 percent. The year's construction program is backed up by financial resources only until October. The sharp (27 percent) reduction in the production and import of investment machine building output promises unprecedented disruption to the program for commissioning projects nearing completion this year and a possible deepening of the decline in investments (25-80 percent) next year.

An improvement in the state of the consumer market is expected—it is connected with the removal of exaggerated demand and the drawing into circulation of the population's surplus domestic stocks. The instability of the consumer market will be determined by the reduction in the production and import of commodity resources, the persistence of unsatisfied demand, and a decline in the population's inclination to save due to the fall in real incomes.

The development of crisis phenomena in the Soviet economy now matches the medium-term trends which appeared in the past two years. The qualitatively new short-term factors which determined market conditions and the sharp increase in the scale of the crisis slump this year were: the reduction of imports; the toughening of financial restrictions (connected with the price reform); strikes in the coal industry and a number of other industrial sectors; and the aggravation of the interpublic "war of sovereignties".

Fuel and Energy

In the next two years the volumes of the domestic consumption of primary energy resources will not increase. However, it must be taken into account of the high probability of a cold winter is high. In that event the additional consumption of fuel for heating and ventilation is assessed at 20-50 million tonnes of standard fuel. If it is an extremely cold winter it will rise to 80-100 million tonnes.

To avoid major economic and social losses, the national economy must be prepared for extreme conditions in winter. At present the level of that readiness is considerably lower than last year. According to the assessment of the USSR Ministry of Economics and Forecasting, consumers' stocks of fuel by the end of the year could be

just 53 million tonnes of standard fuel, which will not make it possible to ensure continuous energy supply in winter.

Investments

The situation in capital construction continues to deteriorate, which is a consequence of both the negative trends of the recent past and new factors which appeared this year and are disrupting the investment sphere. For example, since the beginning of the year there has been a sharp increase in the estimated cost of construction and installation work. According to present estimates, by May this year they had increased by an average of 2.5 times.

Calculations show that a single (annual) reduction of production capital investments of 15-20 percent is not only permissible but also necessary as a precondition for releasing resources for the intensive boosting of the consumer sector of the economy, raising the technical and technological level of the production apparatus, and normalizing the investment process.

The most dangerous trends are connected with the fact that the investment crisis has become chronic and is focused in sectors where the reduction of capital investments is intolerable and may have catastrophic consequences. Housing construction has found itself in a particularly complex situation. The increase in the commissioning of housing in the last five-year plan was achieved without the corresponding renewal of the housing construction material base, mainly by the accelerated completion of existing work in progress. The situation was aggravated by a drastic domestic failure to coordinate construction resources: The shortage of sanitary engineering equipment, finishing and heat insulation materials, joinery and construction parts, and so forth worsened. This made a slump in housing construction inevitable.

This year there will be a further reduction in the commissioning of apartment blocks—to a level of 92 million square meters. The reasons for this are the sharp increase (threefold or more) in the estimated cost of housing construction at contract prices; the shortage of material and technical resources due primarily to the collapse of construction management and supply following its transfer to the republics; the exodus of skilled workers to construction cooperatives geared primarily to profitable projects in the production and infrastructure spheres.

Bearing in mind the situation developing in capital construction, it may be stated that the imbalance among all elements in the investment process has reached an extreme level. The disintegration of production construction could have irreversible consequences because it is really being accompanied by a weakening of the economic potential and an aggravation of structural disproportions. These processes are developing fastest in nonproduction construction. This means the actual disruption of the strategy of the social reorientation of the

economy without which the transition to an efficient market economy will be an illusion.

The Consumer Market

In the period of the prolonged preparation of the retail price reform the country's consumer market experienced a state of acute inflationary expectations. The urgency of the situation was due to the fact that under fixed prices the rise in inflation in trade led to the disorganization of the system of the distribution of goods and the complete disappearance of goods from unrestricted state trade. The distinguishing feature of the current situation is this: Will the correlation between the growth of incomes and expenditure be maintained? If so, this year the level of the supply of goods in relation to the population's present money incomes will improve somewhat.

At the same time, the population's accumulated assets will depreciate by more than half. This means that the problem of "reserves" will be partially solved, that is, the population's enforced savings are being considerably devalued and the potential for deferred demand is being reduced. With such parameters of the regulation of the domestic commodities and services market a certain improvement of the balance is possible, although the extent of that improvement is inadequate. The condition of the consumer market in the state sector will remain unstable and deficit phenomena will not be eliminated.

The alternative scenario of the development of the consumer market in 1991 is based on the possibility of a higher level of indexation of incomes in relation to the rise in prices. This may happen both in connection with labor collectives' pressure on the government and with an excessively broad range of indexation of different types of the population's incomes. Our bank budget system is not ready for the implementation of a fairly rigid financial policy, therefore hyperinflationary processes may develop.

Finances and Money Circulation

The situation in the national economy is largely determined by the increase in the financial structural imbalance, the accumulation of a powerful inflationary potential, and even qualitatively new factors—the development of a crisis slump in production and a switch by the state—in connection with the price reform—to a deflationary policy.

The April price reform made it possible for the "suppressed" inflation to develop into open inflation and partly devalued the savings of enterprises and the population and the burden of the state debt. The fiscal and price measures undertaken in the first half of the year seem to be "freezing" the 1990 financial situation with the sole difference that the frantic demand in the markets has been suppressed by reducing the physical volumes of purchases. Ultimately the deflationary effect of the government reforms can be achieved only by reducing the demand for resources on the part of state, enterprises, and population.

If present trends are maintained—the growth of the incomes of the population and enterprises and the reduction of the real volumes of production—the limited deflationary effect of the price reform will be rapidly neutralized. At the end of this year or the start of next year the country will be facing an acute financial and budget crisis which will lead to a new wave of price rises.

Trends and Prospects

The country's economic situation at the end of 1991 and the beginning of 1992 will be characterized by a slowdown in the rate of decline of production. Prevailing resource factors will make it possible next year to achieve a stabilization of the volumes of production in such base sectors as agriculture, electricity generation, fuel production, and metallurgy. If import payments are unblocked and the volume of imports of raw materials and equipment for the food and light industries restored (or partially replaced by domestic resources) it will be possible to achieve stabilization and even a certain growth in the production of consumer goods (around 93-97 percent of last year's production volumes). At the same time the decline in capital construction will intensify the growth of technological backwardness, and by the end of 1992 may lead to a new downturn in the production of energy sources, metal, and chemical raw materials.

The financial prospects for the economy for the beginning of next year are more vague and contain a powerful destabilizing potential. The temporary restriction of inflationary processes and the easing of the imbalance in the consumer market achieved in the first half of the year will by the end of the year give way to an increase in the budget crisis and inflationary pressure in the consumption sphere and an intensification of destructive tendencies in the investment complex. The prospects of financial stabilization in the national economy are connected with the need for a single rigid all-Union deflationary process which permits the indexation of the population's incomes at a level of around 60 percent of the rise in prices and the preferential use of the resources obtained (and not their "freezing" to cover the state debt).

At the same time there is a possibility of creating an effective anticrisis management mechanism based on a coordinated system of the union-republic state order: restoration of the integrity of the budget system; wage-rate agreements with working people linking the growth of incomes with the stabilization of production volumes; attracting foreign capital and technology, combined with the improvement of the country's foreign currency position. In that event the action of resource and financial factors will create by the end of the year certain preconditions for achieving in 1992 the stabilization of the national economy and the growth of progressive qualitative changes.

Cabinet Debates Minimum Consumer Budget

PM3007085591 Moscow IZVESTIYA in Russian
26 Jul 91 Union Edition p 1

[By V. Romanyuk: "That Exorbitant Minimum Consumer Budget"]

[Text] On 24 July 1991 the USSR Cabinet of Ministers examined the all-Union minimum consumer budget and rejected it. Moreover, the question has been removed from general discussion for an unspecified period. Why?

The actual discussion of this extraordinarily sensitive question turned out to be highly dramatic. V. Paulman, USSR minister of labor and social questions, delivered a report and quoted the estimated size of the minimum consumer budget at 210 rubles [R] [not specified further], and put the number of consolidated goods and services groups included in it at around 300. The drafting was carried out in line with instructions from the Fourth Congress of USSR People's Deputies and the USSR Presidential Decree "On the Minimum Consumer Budget." The minister stressed the special significance of the results received for forecasting living standards for the country's population, elaborating and implementing aid programs for particularly needy citizens, and defining minimum wages, pensions, benefits, grants, and other social payments.

At first the discussion looked solid, even academic, and revolved around important but nevertheless personal questions: To what extent does the minimum consumer budget reflect our minimum demands? How does it compare with world criteria? And it emerged that the budget was clearly underestimated and that the consumer "basket" in general omitted such goods as track shoes, coffee grinders, tape recorders, expenditure on books and newspapers, cigars and cigarettes. Here is a sample apportionment for certain groups: A young man in his late teens could buy a new light overcoat just once in three years, while he could replace his trousers every two years, and use just three ball point pens refills per year; a woman can get through just two pairs of tights and two pairs of stockings per year.

Now many republics are doing their own calculations for a minimum consumer budget. Already three republics have stated their position: Kyrgyzstan—R210, Estonia—R250, Kazakhstan—R260, Belorussia (draft)—R265 [none of the figures are specified further]. The leader of the trade unions (General Confederation of Trade Unions) has submitted her version—an average of R270, with R320 for men of working age [figures not specified further]. V. Paulman refused to compare our minimum consumer budget with similar indicators in developed countries: The values are incomparable. At any rate, if you view it as the upper poverty line, then there are 124 million people (36 percent of the population) below it.

It has to be said that cabinet members had no doubts about the scientific conscientiousness and thoroughness

of the draft. Prime Minister V. Pavlov had doubts about something else: Does the country have the resources to provide this minimum? After all, calculations indicate that this minimum will require 1.3 million tonnes of meat, 1.5 million tonnes of milk, 700 million eggs, 3 million tonnes of potatoes, and 5.5 million tonnes of fruit. Where will all this come from? And although Minister V. Paulman tried to explain that the minimum consumer budget is only a guideline for providing social protection for the least well-off population strata and defines an aim which can only be achieved gradually—within 1.5-2 years—the premier objected quite sharply: Confirming and publishing the minimum consumer budget now can only mean the matter will provoke a social explosion. Why? Because, according to the premier, this budget is perceived in the public's mind as an indispensable minimum which the government is simply obliged to provide for the people.

According to the government's logic, publishing the minimum consumer budget means it is taking upon itself specific guarantees. But, people said, what guarantees can there be if prices are increasing by 5-7 percent every week? There are simply no guarantees.

On the other hand, A. Orlov, chairman of the USSR Control Chamber, resolutely supported the adoption of the minimum consumer budget. In doing so, he proposed that two versions of the budget be drawn up, taking due account, as of 1 January 1992, of the transition to free prices and the new situation connected with the privatization of enterprises. But adopting this budget is obligatory, and it must also be index-linked to the population's income.

Next to speak was First Deputy Prime Minister V. Shcherbakov, who cast doubt over the very possibility of elaborating a minimum consumer budget under the conditions of an unstable economy. His reason was a familiar one. It is pointless to talk about the number of calories or the contents of the consumer "basket" if there is simply nothing to put in them. In V. Shcherbakov's opinion, the republics hastened to elaborate minimum consumer budgets as they could not resist the pressure from society. Can the Union Government now assume the responsibility and sanction the minimum consumer budget?

All things considered, the answer was no, it cannot. First, the population "will not understand" and will drastically increase its "social expectations." Second, there is no chance of building a social protection system at the most minimal level.

So who, then, will accept this responsibility? This question was answered clearly at the Cabinet of Ministers session: Let the republics do it. Especially as now the agro-industrial complex is being placed under their jurisdiction: The center is simply in no condition to draft a budget which would cater equally for conditions in Central Asia, the Far North, the Ukraine, and the Far

East. As for cost evaluations, it was said at the session that, given the rate of inflation, overall they look wrong.

Switching to a metaphor, Premier V. Pavlov expressed the following consideration: The sucking pig is already lying on the table and squealing—it is not clear what we will do with it. At any rate, the premier saw nothing positive in publishing the minimum consumer budget now and was supported in this view by other cabinet members.

From his seat, a somewhat bewildered Minister V. Paulman asked: "So what now?" The premier explained: "We will return to this question when we have achieved the stabilization of the economy." So does that mean that for the time being we will shelve it?

Despite A. Orlov's reminder that the question on the minimum consumer budget will come up again at the next USSR Supreme Soviet session and that the government will be expected to provide an answer, the premier parried cold-bloodedly: We will explain. And the first deputy added that nobody had entrusted this problem to the Supreme Soviet. But postponing it will not make it go away—it has to be resolved.

The Presidential Decree clearly outlines the aim of drafting a minimum consumer budget as being to improve social protection for the population, especially the least well-off citizens, during the transition to a market economy. The USSR Cabinet of Ministers and the republic governments were tasked with adopting decisions guaranteeing the implementation of this decree by 1 July 1991. Is the government being too free with its authority by removing this question from the discussion? Of course, it is not just a matter of the USSR Presidential Decree being ignored; but there is that too.

TASS Holds Seminar on Exchange Systems

*LD2507114491 Moscow TASS in English 0620 GMT
24 Jul 91*

[By unidentified TASS correspondent]

[Text] Moscow July 24 TASS—For two days, representatives of exchanges, brokerage offices and other market structures had been familiarising with an "exchange package" of services of one of the world's major news agencies—TASS—at a "TASS and Exchange Systems" seminar which ended in the TASS building near Nikitskiy Gate here on Tuesday with the signing of several accords.

The seminar was attended by delegates of stock market movement not only of the capital but also from Siberia, the Far East, and other regions of the Russian Federation and a number of Union republics.

The seminar generated a lively interest. It was the first time that business people were able to familiarise themselves in detail with technologies and software elaborations available with TASS and making it possible to

maintain exchanges of information between stock markets and their partners, create local data retrieval networks and organise a stock market automation system.

It was also noteworthy that during the seminar it was possible to conclude contracts to implement these projects. In particular, an agreement that TASS signed with the Moscow commodity exchange on joint activities can be cited as an example.

The personnel of stock markets, brokers, and representatives of the informatics research community also familiarised themselves with an internal system for readout on TV monitor screens during biddings for stock market information, with a databank for intra-Union and world stock market quotations and some other original systems.

It was not fortuitous that participants in the seminar agreed that the utilisation of TASS information resources is perhaps the shortest and cheapest way to resolve many a problem of the emerging stock market movement.

Expanding Trade Union Contacts With U.S.

*LD2807113291 Moscow TASS in English 1123 GMT
28 Jul 91*

[By Vladimir Yegorov]

[Text] Moscow July 28 TASS—"The war of visas is over. A new and auspicious era in our relations has begun," Vladimir Kirillov, head of the American department of the General Confederation of Soviet Trade Unions, told TASS in an estimate of the present state of Soviet-U.S. trade union contacts.

"Unlike previous years, since the beginning of this year, the U.S. Department of State has been issuing visas on time and to all, without exception, Soviet trade union delegations invited to the United States," Kirillov said.

Upon saying that Soviet official delegations led by Vladimir Kuzmenok, deputy chairman of the confederation, and Sergey Kramarenko, secretary of this trade union centre, visited the U.S. This year, Kirillov added that "this was reckoned impossible only recently".

Among visitors to the United States in August will be representatives of the Soviet Textile Workers Union, invited by the Textile and Clothing Industry Workers Union, and Soviet chemical-industry workers who will attend a convention of the kindred U.S. union in Denver.

"At a time when the ice has begun to move in relations between sectoral trade unions, the leadership of the AFL-CIO still renounces contacts with our trade union centre, pleading its unwillingness to cooperate with 'state' structures," Kirillov said.

"Meanwhile the Soviet trade union centre is no longer what it used to be. It has fully got out of the authority of

state and party bodies. One needs only to come to our country as a guest to see this for oneself. Such an opportunity should hardly be disregarded, considering the overall thaw in Soviet-U.S. relations," he observed.

The General Confederation of Soviet Trade Unions seeks "constructive, not formal, contacts with American trade unions, and an in-depth study of their experience of work in the conditions of a market economy," Kirillov emphasised.

He highly appreciated U.S. active trade unionists' contribution to the success of an international seminar on labour relations. The seminar was held in Moscow in June.

Agriculture

Stroyev Addresses Agriculture Seminar in Ukraine

PM2307151991 Moscow SOVETSKAYA ROSSIYA
in Russian 20 Jul 91 First Edition p 1

[UKRINFORM-TASS report: "Conference of Central Committee Secretaries"]

[Text] Kiev, 19 Jul—Questions of the implementation of the CPSU's agrarian policy in contemporary conditions were examined at a seminar-conference in the Ukraine for secretaries of union republic communist party central committees and of party raykoms [rayon committees], kraykoms [kray committees], and obkoms [oblast committees]. Leaders of state and economic organs and academicians and specialists also took part in the seminar.

In his speech Ye.S. Stroyev, Politburo member and secretary of the CPSU Central Committee, stressed that the economy has been, and remains, a field of activity for any party, especially for the CPSU. The party organizations which are maintaining and increasing their influence are those that do not hold aloof from people's interests, act enterprisingly, and unite Communists and independents for the realization of practical deeds.

It is important in today's complex conditions for party committees to contribute to the organized conduct of the harvesting process and, together with economic leaders and soviets of people's deputies, to ensure that the harvest is fully gathered in and safely stored.

There was detailed discussion on questions of new approaches in state purchasing policy and the fulfillment of the state order, especially regarding purchases of corn, and also vegetables, potatoes, and livestock products.

Participants in the conference voiced support for intensifying the party's work among the peasantry, accelerating land reform, developing a mixed economy, providing labor incentives, and ensuring genuine priority for the countryside in material and technical supply.

Reports were delivered at the conference by the central committee secretaries of the Ukrainian, Belorussian, Tajik, and Moldovan Communist Parties and by the first secretaries of party obkoms.

RSFSR Buildup of Grain, Food Reserves

914A0958A Moscow SELSKAYA ZHIZN in Russian
10 Jul 91 p 2

[Unattributed article: "Additional Measures"]

[Text] The chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet and the chairman of the RSFSR Council of Ministers on 8 June issued an order which earmarks additional measures for forming state grain and other food resources in 1991.

In addition to retaining the mandatory food tax on delivery of grain to the state, introduced in 1991, a number of market incentives have been earmarked in order to economically motivate kolkhozes [collective farms], sovkhozes [state farms], and peasant (Western-style) farms to sell grain to the state.

In particular, procurements of grain in excess of the food tax and from farms on which the tax is not imposed are made at contractual prices and are encouraged through the reciprocal sale of agricultural equipment, material and technical resources, and consumer goods at state wholesale and retail prices in the third and fourth quarters of 1991.

Up to 50 percent of the grain sold in excess of the food tax may be paid for in freely convertible currency at the prices of the actual grain procurements abroad, and the hard currency will be transferred to the farms before 1 March 1992.

Buckwheat, rice, and pulse crops sold for state resources are also paid for at free contractual prices.

For grain, oil-bearing crops, and potatoes that are sold (reducing the supplies for the second half of 1991), 100,000 passenger vehicles, 200,000 refrigerators, 150,000 washing machines, and 200,000 television sets are being allotted for sale in return.

Moreover, 10 percent of the aforementioned resources and goods will be sent to collectives of processing and procurement enterprises.

The transfer of the hard currency funds to the accounts of the kolkhozes, sovkhozes, peasant (Western-style) farms, other agricultural enterprises for grain they have sold to the state is carried out by the RSFSR foreign trade bank within three months after the sale to state resources is concluded.

There are to be material incentives for city dwellers enlisted to harvest the crops and other measures are envisioned as well.

RSFSR Paper Eyes Harvest Prospects

PM3007091191 Moscow ROSSIYSKAYA GAZETA
in Russian 24 Jul 91 p 1

[Yevgeniya Pishchikova "Commentary:" "Are We Guaranteed a Slice of Bread?"]

[Text] Bashkortostan, Altay Kray, and six Russian oblasts—Kemerovo, Kurgan, Novosibirsk, Omsk, Tyumen, and Chelyabinsk—have suffered from drought; the situation is so grave that an RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers resolution tells the local authorities to institute emergency measures and recruit the able-bodied population of cities and worker settlements to carry out essential agricultural work. At the same time the weather-stricken regions are being allocated seeds for resowing feed crops, material and technical resources, and money intended to compensate for the losses from the natural disasters. Incidentally, the drought experts realized that an unprecedented harvest was not in the cards this year. Areas down for winter crops were not fully sown because of the protracted harvesting in a number of oblasts: In Krasnodar Kray there was torrential rain in the spring, which substantially held up sowing, and on rice-growing farms fields were flooded and had to be sown from the air. Sowing in Smolensk and Tver Oblasts also finished late because of the weather.

Thus it is thought that the 1991 grain harvest will be modest or, at best, ordinary, but this does not yet mean that we will experience a shortage of bread in the winter. Analysis of the situation on the basis of figures from the USSR and RSFSR State Committees for Statistics makes it possible to state with a high degree of probability that we will get our daily loaf, but availability of meat, dairy products, and vegetables will be even worse than this year.

The picture is pretty simple. Last year the yield was unusually good, but the gross amount of grain harvested in Russia was close to the usual figure—116 million tonnes (for comparison, this year's harvest, according to the Hydrometeorological Center's forecast, will be 104-114 million tonnes). A certain amount of the crops simply remained unharvested—there were not enough technical resources or manpower, city-dwellers refused sponsorship aid, and so forth. State purchases in 1990 amounted to 33 million tonnes, which is also far from a record: In 1976-1980 purchases amounted to 42.4 million tonnes, in 1981-1985 35 million tonnes, and in 1986-1990 34.3 million tonnes.

In fact, there was a big harvest, but it was as if there had not been such a big harvest. Some of the kolkhoz and sovkhoz grain which did not form part of state purchases was legitimately retained for the next year's sowing and livestock feed, and some of it was simply not handed over to the state in the hope that everyday problems could be solved by the free sale (exchange) of grain. The rural barter plan is well known and straightforward: The grain is exchanged for meat—a kolkhoz, say, shares its

reserves with a neighboring meat and dairy sovkhoz which needs feed, and the meat is then exchanged for iron roofing sheets.

Thus a sizable proportion of the unprecedented harvest (roughly one-third) was fed to meat and dairy livestock. However, there was no increase in meat as a result. The whole point is that even the biggest harvest in the last 20 years must be at least one-third bigger again to meet the republic's foodstuff needs—bread, bakery products, pasta, feed, and the corresponding meat and milk.

This year the RSFSR Council of Ministers adopted a resolution on a tax in kind. The tax has been introduced for the reasons already cited to stop kolkhozes hoarding grain in stores. The tax in kind was officially introduced for the first time since 1925. Instead of compensation measures and incentives it proposes measures of a purely punitive kind. The resolution says that the tax in kind has been instituted "...to afford social protection to the population during the period of transition to the market and to provide foodstuffs to children's and preschool establishments, the disabled, war veterans, and so forth." The Council of Ministers is being somewhat artful here, taking advantage of Russian people's entrenched conviction that only a scoundrel would harm orphans and the sick. A tax of 30.8 million tonnes of grain—a little less than all the 1990 purchases—is being introduced to benefit children's establishments and improve meager hospital meals.

At the same time the state order—10.2 million tonnes—is being retained. However, it is being imposed on kolkhozes just like Tsarevich Matveyka was imposed on the Moscow guard. It is assumed in advance that the producers will ignore the state order, although the resolution does state that these millions of tonnes are to provide major industrial centers with bread. But any shortfall in meeting the tax in kind carries the threat of a fine of five times the amount of the shortfall. Naturally, far less feed and forage grain will remain on farms than last year. Our 66 kg of meat per person per year is being mourned. Already in the first six months 10-12 percent less meat has been delivered to the state than in 1990. A decision has been made to purchase meat products (German Army canned stewed meat, apparently), butter, and grain from abroad. Last year they were purchased in almost the traditional amounts.

Apart from bread, potatoes are the staple food of Soviet people, and it is anticipated that the potato harvest will be poor this year. However, potatoes are a separate topic of discussion. Interesting conclusions can be drawn from looking at the results of last year's potato harvest. Two or three tonnes of potatoes are required to plant one hectare. The average yield of a sovkhoz-kolkhoz potato field in 1990 was just "threefold." Is it to be wondered that in the winter we ate Canadian, German, and Polish potatoes, but not our home-grown ones?

It also turns out, according to the figures of the State Committee for Statistics, that kolkhoz-sovkhoz stock-raising puts just 1.5 kg of meat per person per month on free sale, or 50 grams per day. As in all the provincial Russian cities (and Moscow will soon cease altogether to be an exception) meat, like vegetables, can be obtained only in the market, it will soon be evident that the private sector, which accounts for 30 percent of the gross product, has long been feeding us. But kolkhozes and sovkhozes, together with Canada and America, will always provide us with a slice of bread.

Israeli Minister Meets With Soviet Academicians

TA2107133491 Tel Aviv HA'ARETZ in Hebrew
21 Jul 91 p A4

[ITIM report]

[Excerpt] [passage omitted] A meeting was held last Thursday [18 July] at the Academy of Agricultural Sciences in Leningrad between an Israeli agricultural delegation headed by Agriculture Minister Refa'el Eytan and heads of the Soviet academy. Participants exchanged views on the Middle East peace process.

The president of the Soviet Academy of Agricultural Sciences, Nikolay Dmitriyev [name and title as published], admitted that the Soviet achievements in research and science lag behind those of Israel and the West and expressed the hope that the USSR's newly flourishing relations with the world will promote its agriculture.

Among other things, Dmitriyev mentioned Construction and Housing Minister Ari'el Sharon's building plans for the absorption of about a million Soviet immigrants in the next few years. He expressed apprehension about the loss of his country's professional and scientific manpower as a result of emigration to Israel and other countries. He also noted Prime Minister Yitzhaq Shamir's readiness to hold direct talks with the Arabs.

Minister Eytan reviewed the history of the Jewish population in Palestine and Israel and "the survival struggle against dictatorial regimes in Arab countries which foil every chance for peace with Israel." Israel wages a constant struggle for security, he said. Eytan stressed, however, that the alternative to peace as defined by the West is not necessarily war. If Israel retains its deterrent power, it can maintain relations without a war for a long time, he added.

Replying to a question from the Soviet academy president regarding formerly Palestinian agricultural land which is at present cultivated by Israel, Minister Eytan said: "Palestinians had many opportunities to make peace with Israel, but they rejected them all, opting for war. They should be grateful to us for not taking any more land from them."

Later, Refa'el reviewed the historic link between agricultural settlement and Israel's security. He expressed willingness to cooperate with the Soviet Union in various spheres of agriculture.

In the course of the visit, Professor Shmu'el Pohoryles, director of the [Israeli] Agriculture Ministry's Planning and Development Authority, was officially elected as a foreign member of the Soviet Academy for Agricultural Sciences. Replying to questions from the Leningrad academic staff, he placed special emphasis on the potential for Soviet-Israeli cooperation in the spheres of science and technology, including genetics and agrobiology.

Agricultural Developments for 18-24 Jul

LD2507002991

[Editorial Report] The following is a compilation of reports on agricultural developments in the USSR from 18 to 24 July. Source and GMT time of broadcast are given in parentheses at the end of each item.

18 July

Threshing of winter rye started in the nonchernozem areas of Mari Autonomous Soviet Socialist Republic two weeks early. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 1000)

19 July

More than 75 percent of the Kuban grain fields have already been harvested. The amount of grain which state stores have received by this morning is more than 800,000 tonnes. (Moscow All-Union Radio Mayak Network in Russian, 0300)

20 July

In Stavropol Kray and Krasnodar Kray, 1 million tonnes of grain have been delivered to the state to date. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 1600)

In Volgograd Oblast, 500,000 tonnes of grain have been delivered to elevators to date. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 1600)

21 July

Reception points in the Ukraine have already received over 2 million tonnes of newly harvested grain. However, this is considerably less than at the same time last year. Vagaries of the harvest are being felt—10 quintals of grain in the south, up to 50 quintals in the west. The total harvest, as the experts believe, will be a little down from last year. But just like last year, farms hold back the grain. In the meantime, large batches of grain have been intercepted because of attempts to export them beyond the bounds of the republic. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 0900)

Sovetskiy Rayon is the first rayon in Stavropol Kray to begin selling grain in excess of the State order. Each

hectare in the rayon is yielding 38 quintals of grain, and two-thirds of the grain being marketed consists of hard and premium varieties of wheat. Our correspondent reports that the growers on the Stavropol steppes have now marketed over 1 million tonnes of grain. In the eastern kray, the end of the harvest is approaching.

In the Ukraine, 3 million tonnes of grain has already been delivered. This is considerably less than by the same time last year. Yields range from 10-12 quintals in the south following the drought to 50 and above quintals in the west.

Harvesting is proceeding with difficulty in Orenburg Oblast. There is a shortage of spare parts for harvesting equipment, particularly batteries for the harvesting combines. As a result, almost a quarter of its 16,000 combines are idle. Some of the harvesting combines still lack people to operate them, since industrial enterprises in Orenburg, Orsk and other towns have not sent their emissaries to the countryside. However the first output of grain show that high yields have been achieved by Orenburg growers. (Moscow All-Union Radio Mayak Network in Russian, 1200)

North Ossetian farms have embarked upon the harvesting of winter wheat. Sample threshings in the fields of three mountain areas have yielded up to 30 quintals of grain. Farms on the steppe, however, where it is very hot, are now concluding the harvesting of the winter crops. According to expert forecasts, the republic is expected to harvest the average of 35 quintals per hectare. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 1200)

22 July

Nikolay Shibalkov reports from Stavropol Kray that the poor fuel supply restricts proper use of agricultural machinery. The fuel shortage has led to workers being unable to gather at least 3-5 quintals per hectare. Despite this, the crop is of high quality. The average yield of grain amounts to almost 29 quintals per hectare. (Moscow All-Union Radio First Program Radio-1 Network in Russian, 0900)

Stavropolskiy's grain harvesting campaign has begun. The Stavropol agriculture enterprises will be able to meet their state orders for 1,810,000 tonnes of grain. (Moscow Central Television Vostok Program and Orbita Network in Russian, 1530)

Emergency Measures Established in Kazakhstan

LD2407154591 Moscow All Union Radio First Program Radio-1 Network in Russian 1200 GMT 24 Jul 91

[Text] The situation is critical in the grain fields of Kazakhstan. Unprecedented droughts have afflicted the main agricultural production regions. In connection with this, a decree was issued today in Kazakh by President Nazarbayev on emergency measures during harvesting, fodder procurement, and wintering in the 1991-1992

season. An emergency republican commission chaired by Prime Minister Karamanov has been set up for the duration of the harvest campaign to coordinate the work of local soviets, ministries, departments, and concerns. This commission can set oblasts, rayons, and farm targets for sales of grain, potatoes, vegetables, and other agricultural products. The commission will also expeditiously tackle questions relating to transportation.

Military

Plan To Revive Student Draft Criticized

PM2907141591 Moscow IZVESTIYA in Russian
16 Jul 91 Union Edition p1

[Valeriy Vyzhutovich article under the "Political Diary" rubric: "Bugle Call?"]

[Text] If the new Law "On Universal Military Service Obligation and Military Service" is adopted in its present form, 500,000 students will be putting on fatigues and boots this fall... Why? Is there really any need?

The women in black have reappeared in Pushkin Square. Sorrowful and motionless as statues, they stand beneath black banners and hold portraits of their sons framed in black. These sad delegates from the Committee of Soldiers' Mothers are protesting at the Army's limitless ability to do what it wants. But against the backdrop of these now familiar placards and slogans demanding an end to non-regulation relations, a faded relic of the past that one had thought was forgotten forever suddenly quivered in the wind: "No to the drafting of students into the Army!"

Wait a moment, not even two years have passed since our parliamentarians overcame some "solid resistance" with a tenacity worthy of any student and secured a deferment of military service for young people in full-time education at VUZ's [higher education establishments]. Remember how overjoyed we were at this triumph of common sense over the stereotypes of defense consciousness and how freely society breathed when it was able to give the command: "Students, at ease!"

Mothers do not need any real reason to worry about their sons, which is why this worry is often misplaced. This time, alas, the cause for concern is far more substantial than parental foreboding. The USSR Supreme Soviet has nearly completed work on the draft Law "On Universal Military Service Obligation and Military Service." According to the draft, students no longer have a right to deferment of military service. It is also unclear whether studying in a military faculty releases them from service.

This attempt to put students back in military uniform is too serious an action, you must agree, not to stir up public feeling, which is already running extremely high. So I would like to know for sure what deputies hope to achieve by including this proposition in the draft law.

"A draft is a draft—what is there to say about it?" Yu. Samsonov, deputy chairman of the USSR Supreme Soviet Defense and Security Committee, said to me. "Everything is still being worked out—there is nothing definite. Not only committee members but also representatives of the USSR Armed Forces are working on the draft. We are coordinating interests."

Lieutenant General I. Matveyev, deputy chief of a USSR Armed Forces General Staff main directorate, told me about the defense department's interests, without making them into a military secret:

"The Army is currently short of 536,000 men, and the shortfall will reach approximately 700,000 by the fall. Why? Well, first, the birth rate has fallen. Second, there has been a progressive increase in the number of deferments. More than half of the three million young men of draft age cannot be drafted for various reasons: family status, state of health, work in basic sectors of industry, and so forth... Anyway, what is this? Are students becoming a privileged caste? It looks as if workers and peasants are obliged to do military service, while students get granted a deferment. And social stratification is the result! No, no one wants to undermine public education. All we want to do is reinforce the Army with competent soldiers."

What objection can be made to that? It is true, for example, that the regular seasonal mobilization of lecturers and candidates to collective and state farm fields is because of production necessity and is not done for the purpose of weakening our country's intellectual potential. Just as the practice of having city dwellers descend on the countryside takes the place of radical land reform to make the peasants masters of the harvest, the student draft takes the place of military reform to create the conditions for normal service. The authors of the draft law have chosen the easy way out, however.

There is something else surprising as well. How is it possible to draft a law governing the procedure for conscription into military service, when the Supreme Soviet has not yet adopted the concept of national state security which two parliamentary committees were instructed to draw up more than six months ago? As long as there is no legislation enshrining society's understanding of national state security interests, the military and any other department is going to interpret these interests in its own way and to its own advantage. We could have someone announce tomorrow that, for the sake of our defense might, women are going to be drafted into the Army as well as men.

Is it just plain haste? Who can tell? V. Minin, for example, deputy chairman of the USSR Supreme Soviet Youth Affairs Committee, sees a hidden political motive. In his opinion, while doing its utmost to delay the adoption of a military reform concept, which is fundamental to the Army, the Defense Ministry is trying to pass a law that is essentially antireform via its representatives in parliament. Reform has not begun, but a

step has already been taken to forestall it: Not a step forward but a step backward, to the bastions of defense consciousness. However, the draft Law "On Universal Military Service Obligation and Military Service" published by KRASNAYA ZVEZDA on 26 December last year clearly and unequivocally states that deferment of military service for the purpose of continuing education will be granted to "draftees under 27 years of age on daytime courses (in full-time education) at VUZ's with legal status." So the draft presented to the people says one thing and the document being prepared in the quiet of parliamentary offices says another.

Is there a military lobby? Even if there is, I do not think the mere fact of its existence should be seen as an indication of guilt. There are lobbies in many countries' parliaments, but lobbyists in U.S. Congress, for example, are on a legal footing. They do not pretend to speak "on behalf and on the instructions of the working people" and do not tell the public that they are acting "in the people's interests." This openness at least makes it possible to monitor them and prevent political intrigues. In our case, however, the further we go, the more clearly we can see attempts to mold the Supreme Soviet to suit departmental policies cunningly proclaimed as people's, state policies.

If the new Law "On Universal Military Service Obligation and Military Service" is adopted in its present form, 500,000 students will be putting on fatigues and boots this autumn. The militarization of higher education and therefore of society—superimposed both economically and spiritually—will resume in a new spiral. Why? Is there really any need? Our VUZ's already train 120,000 reserve officers: One-tenth of their teaching time is spent in this way. And we spend 300 million rubles on students' military training each year: The money does not come from the Defense Ministry's enormous budget but from the disgracefully meager funds allocated for public education.

Yes, the Army needs competent soldiers capable of using complex equipment. But society has an equal need of real physicists, mathematicians, doctors, and scientists.... In the five years between 1984 and 1989, when higher education that had barely begun was continued in the barracks and often ended there (7 percent of the first draft did not return to the lecture halls), the country's intellectual potential was dealt a serious blow.

One last point: Putting off military reform indefinitely and trying to meet the draft plan at the expense of higher education could provoke a fresh outcry from the public. So far, our students—and students are usually thought of as the most rebellious section of any society—have shown relative calm and patience. But one would have thought that the painful experience of student unrest in Poland, Czechoslovakia, and China would caution against ill-considered, imprudent plans. But no, the bugle sounds! In peacetime, when society recognizes the

need to demilitarize not only our economy but our entire way of life, the Army bugle is once again calling students to form ranks.

Yes, the state needs armed forces. But the war in the Persian Gulf once again demonstrated to the whole world that the outcome of combat operations is primarily determined by modern technology. Consequently, in any civilized country, tomorrow's creators of such equipment are not marching on the parade ground: They are studying. So, tell me, why do we have compulsory

military service? We give the Army as many young men as we bring into the world. No population explosion—and none is foreseen anyway—will ever satisfy this insatiable need, which is totally incomprehensible in peacetime.

Again and again: We need military reform. Reform, according to V. Dal's definition, is the transformation of procedures. Transformation! Not stubborn attempts to keep an outmoded procedure in extended service.

Estonia

Party Leader Sillari Urges Support of Gorbachev

OW3007051591 Moscow BALTFAX in English
1930 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The First Secretary of the independent Communist Party of Estonia Enn-Arno Sillari has held a press-conference in Tallinn today, July 29, on the results of the recent plenum of the CPSU Central Committee. "We support", he said, "the new draft programme and the General Secretary Mikhail Gorbachev as a man willing to follow the path of reforms".

According to Sillari, "the plenum passed without criticizing Gorbachev for two reasons: first, the party begins to understand that it's not the president who needs the party, as before, but the party needs the president; second, the members of the Central Committee were under the impression of B. Yeltsin's decree banning party cells at work places".

The leader of the independent Estonian Communist Party has stressed that if the draft-programme is adopted, the CPSU will be able to function successfully.

Sillari said that the plenum rejected the proposal by the commission led by the Central Committee Secretary Yury Manayenkov on sacking him from the Politburo, but authorized the latter to look into the issue.

Sillari denied that his party has received 2,560,000 rubles from Moscow this year, as suggested at the plenum. He said "not a kopeck of subsidy was obtained last or this year". He refuted the conclusion by Yu. Manayenkov's commission "on the loss of link with the masses as you can't please everyone".

"The independent Communist Party of Estonia", went on Sillari, "numbers 8,078 registered members which makes it still one of the biggest parties in the Estonian republic."

Supreme Council Chairman Ruutel Back From U.S.

OW3007045391 Moscow BALTFAX in English
1230 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] Chairman of the Estonian Supreme Council Arnold Ruutel is expected to return to Tallinn today after visiting the U.S.A. as a guest of honor at the Special Olympic Games for invalids there.

Despite the unofficial character of his trip, Mr. Ruutel had a number of meetings with American officials, including Vice Secretary of State Lawrence Eagleburger.

Mr. Ruutel told American reporters that at a meeting on July 29 in Moscow Mikhail Gorbachev and George Bush

among other questions will discuss the "Baltic question." He noted that the American officials had promised to support the Baltics' aspiration for independence.

Mr. Ruutel also emphasized that in case the American Senate ratifies the 1990 trade treaty between the U.S.A. and the Soviet Union, the three Baltic republics "will have to stay away from this treaty and therefore they will have to be granted the most-favoured-nation trading status individually."

Latvia

'Round Table' Accuses Gorbachev of 'Pandering'

OW2907120191 Moscow BALTFAX in English
1230 GMT 26 Jun 91

[Following item transmitted via KYODO]

[Text] The resolution taken by members of the Latvian "Round Table" accuses Gorbachev and his "team" of "pandering to nationalist-separatists." Representatives of the Latvian CP, Interfront, the organisation of veterans and military internationalists, the armed forces, and the forces of law and order took part in the meeting.

The document points out that there is a real threat of civil war breaking out in the Baltic republics, including Latvia, because "the heads of the KGB, of the Interior Ministry, and of the Soviet Office of Public Prosecution are blindly carrying out decisions aimed at destroying opposition by socialist and patriotic forces in Latvia and in other regions in the USSR."

In connection with this, the members of the "Round Table" in Latvia consider it necessary to support the Soviet's suggestion, made by the secretaries of the Communist Party's organisations in Riga, to call an "emergency" congress of the CPSU to review whether Gorbachev should stay in the party or not. The resolution also recommends that "explanatory work on this issue should be carried out by party organisations and by labour collectives."

They decided to ask the All Latvian Committee of Social Salvation (its existence first announced in January) to resume its work, including the question of forming and coordinating the activities of workers' patrols and the formation of a Workers' Guard. The authors of the resolution consider that the mass media should activate support for workers of the Soviet law-enforcing organs, including the riot squads based in Riga and in Vilnius.

The opposition faction in the Latvian Parliament "Equality" proposed a review of the republic's secession from the Supreme Soviet in order to form, jointly with the All Latvian Committee of Social Salvation, new in Latvia, and in order to sign the Union treaty.

Communist Groups Give Government 'Serious Warning'

OW2907181891 Moscow BALTFAX in English
1500 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] The coordinating centre of the Servicemen's League of the Baltic Area, the Interfront, the War Veterans' Committee, the Council of Secretaries of Communist Party Committee of Riga and Jurmala, and some other similar organisations have given a "serious warning" to the Supreme Council of Latvia, according to which they will immediately start forming volunteer Workers' Guard units if the bill on the formation of a volunteer home guard corps in the Latvian Republic, which has been passed after the first reading, ultimately becomes law.

In the message these organisations have sent to the Latvian Parliament, they say that the territorial integrity and security of Latvia as a constituent part of the Soviet Union is ensured by the Armed Forces of the USSR. The authors of the document believe that the formation of a "so called volunteer home guard corps will be followed by the formation of a national army," whereas the home guard corps will be used "to fight the political opposition and dissidents."

"Any attempts to provide the home guard corps with weapons and other military equipment will immediately call forth relevant measures on the other side," the document stresses.

Interfront's Lopatin Criticizes Effects of Laws

OW2907102691 Moscow BALTFAX in English
1830 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] In an interview to a BF [BALTFAX] correspondent, the chairman of the Central Coordination Council of the country's internationalist movements, Mr. Igor Lopatin, said that recent legislation enacted by Latvia's Parliament had worsened the already tense situation in the republic. Specifically, the passing of a law on education has sharply exacerbated national tensions, he said, stressing that in practice this law denies the Russian-speaking young men and women the opportunity to receive vocational training, let alone higher education.

Another enactment which has brought a negative response from the Russian-speaking community is in his opinion the law on police, under which every policeman must take an oath of loyalty to the Republic of Latvia. "Because of a number of reasons, many of the Interior Ministry personnel will not agree to that," Mr. Lopatin predicted. According to the information he has, 600 policemen out of the 1,200 strong Riga's police force might leave. Therefore, "Riga would to all intents and purposes be ruled by the underworld".

A final point brought up by Mr. Lopatin concerned the law providing for the formation of republican militia. In

his opinion, the setting up of such militarised organisation poses the threat of a Yugoslavia-style crisis occurring in Latvia.

Conflict on Spring Recruitment Figures Reported

OW3007035891 Moscow BALTFAX in English
1930 GMT 29 Jun 91

[Following item transmitted via KYODO]

[Text] A report by the League of Latvian Women [LLW] says the Soviet Army recruited in the course of the spring 1991 call-up only 8 to 15 percent of the planned number of soldiers in this republic. Anita Stankevicia, the LLW head, told BF [BALTFAX] that about 75 percent of recruits have chosen the alternative service and are currently working in militia units loyal to Latvia, at fire stations, at plants and enterprises, etc.

However, the military commissar of Latvia, General Janis Duda told BF that the Soviet Army fulfilled 33 percent of the plan.

Lithuania**Landsbergis Delegation Departs for Treaty Signing**

LD2907123591 Vilnius Radio Vilnius Network
in Lithuanian 0900 GMT 29 Jul 91

[Interview with Lithuanian Supreme Council Chairman Vytautas Landsbergis by correspondent Zenonas Miksys in Vilnius on 29 July—recorded]

[Excerpts] A Lithuanian delegation, led by Supreme Council Chairman Vytautas Landsbergis departed for Moscow this morning to sign an interstate agreement between the Republic of Lithuania and the Russian Federation.

The delegation includes Prime Minister Gediminas Vagnorius, Deputy Supreme Council Chairman Ceslovas Stankevicius, Foreign Minister Algirdas Saudargas and a group of Supreme Council deputies [passage omitted]

[Begin recording] [Miksys] Can you say a few words for "Lithuania Today" before your departure for Moscow to sign such an important interstate agreement between Lithuania and Russia? How do you view this agreement, in your capacity as the chairman and leader of the delegation? How can it be assessed?

[Landsbergis] First, the agreement must be signed. Then we will refer to it as an agreement between the two states. For the time being, it is a draft proposal, although it has been completely agreed upon and coordinated. I can refer to it as the result of long and careful effort marked by the goodwill of both sides, with the goodwill and support of the Russian leadership, which was demonstrated to us in January. The current agreement is a logical result of this position.

It must bring about the regulation of bilateral relations and open prospects for fruitful and universal cooperation. Undoubtedly, it must also result in a major improvement of the people's emotional disposition and fortify trust in our future and in our present tasks. [end recording]

More on Landsbergis, Soviet Rail Minister Talks

OW2907143591 Moscow BALTFAX in English
1230 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] July 25, the president of the Lithuanian Supreme Soviet, Vytautas Landsbergis, met the Soviet Minister of Railways, Leonid Matyukhin, in Vilnius. The Soviet minister arrived in the Lithuanian capital on Thursday to present a draft treaty about rail transport to the PM, Gediminas Vagnorius, and to the Minister of Railways, Jonas Birziskis.

At a briefing of the Lithuanian Parliament on July 26, the press attache of the Lithuanian Parliament, A. Ajubalis, announced that the Soviet minister in his meeting with the Lithuanian Supreme Soviet repeatedly emphasized that he aimed to find "points of contiguity" with his Lithuanian colleagues and to ensure that "political forces do not interfere with the work of the railways."

At the same meeting, Jonas Birziskis said that Leonid Matyukhin, who took the post of minister only in May of this year, was essentially very different from his predecessor, Nikolay Konarev "purely in his constructive attitude to the job and in his financial income."

According to the "BALTFAX" correspondent the possibility of direct rail links with Poland via the Sestokai Station were discussed at the meeting in Vilnius. Matyukhin did not exclude the possibility but said that this question would require extra investigation.

Prunskiene Article Details Foreign Policy Issues

LD2907145291 Vilnius TIESA in Lithuanian
18 Jul 91 p 2

[Article by Kazimiera Prunskiene: "Foreign Policy Realities"]

[Excerpts] [passage omitted] Lately there has been much talk about the lack of competence in the foreign policy pursued by the leaders of the present government. This weakens Lithuania's stand both in its dialogue with the USSR, which should be carried out in a European and diplomatic way, and in the consolidation of Western support.

The Lithuanian Future Forum is often reproached for overestimating the role of the negotiations with the USSR. So far not a single official government leader has proved the viability of any other way.

Is it possible to manage without a dialogue with the USSR, even if a new Union is favorably inclined toward

us? It would be possible to think this way if we failed to notice the existing border control carried out by the USSR border guards, the presence of the Army on Lithuania's territory, and other phenomena limiting freedom, the presence of which in Lithuania is longer than the life of the majority of us on this earth.

It is not the time now to enjoy the crumbling of the old empire without having or wishing to have precise information about changes in the spheres that are important to us.

One increasingly often encounters the republican leaders of the possible new Union at international conferences and meetings to discuss both the reformation of the USSR and the Baltics issue. The Baltic states are more often supported because they are regarded as being more mature for democratic statehood and a market economy, and thus better potential partners in the future European political and economic arena.

At a recent historically important meeting organized by V. Havel and F. Mitterrand, at which I was a participant, the search started for a model for a European confederation. This search will be continued by competent politicians and experts. This model creates new chances for Lithuania and other Baltic, Central European, Eastern, and Southern Slav states. Thus, the forum of the European confederation may become an important guarantor for solving our problems on an international scale. [passage omitted]. But if we do not manage to effectively explain to the world our interests and submit them in simple language, we will not obtain real support. Our neighbors, Latvian and Estonian, are working with better results and more harmoniously in this field.

In recent months real progress has been made in forming an international group, the aim of which is to prepare a solution to the Baltics issue. These are political, legal, and economic means. Their main focal points are the USSR—in the sense of pressure—and the Baltic states—in the sense of all-round support. Two meetings of the international group are to take place this autumn in Brussels and Vilnius. That is, if this is not blocked by the esteemed guardians of the government monopoly.

On the whole, we could much more successfully prepare for the full-blooded life of the state if we spent less energy on declarations and the search for enemies.

In the last two years we have been working very hard looking for cooperative partners. It has been especially difficult to ensure foreign credits and find possible investors for extensive programs for reconstructing the economy. I found out recently in the West that our efforts have not been fruitless, although it is too early to speak about this in concrete terms. Two very important obstacles are encountered—the absence of laws defending the rights of investors and the unstable political situation.

Perhaps the most important task of the Lithuanian Future Forum is to take part in shaping these two

guarantees or, maybe, to be a political guarantor whose program and strengthening positions would prevent the destruction of Lithuania's economic chances to be integrated in Europe.

If some people think that they can manage with national capital alone, they are very mistaken. A political situation sufficiently inflamed by the extreme left- and right-wing forces has become the main obstacle preventing a consistent striving for and obtaining of foreign support. By failing to become competent, reliable, democratic partners, failing to adopt some rules of European cooperation, and forcing a one-sidedly oriented, sterile Lithuanian order, we will make Lithuania a non grata state. This must not happen.

Party Leader Shved Stresses USSR Integrity

*OW3007062291 Moscow BALTFAX in English
1930 GMT 29 Jul 91*

[Following item transmitted via KYODO]

[Text] The Second Secretary of the Lithuanian Communist Party Central Committee Vladislav Shved told BF [BALTFAX] that he cannot comment on the signing of the treaty between Russia and Lithuania because he has not seen the text of it. "Although the treaty concerns us directly, nobody asked about our opinion on it or consulted us", he complained.

Mr. Shved believes the mutual recognition of sovereignty by Lithuania and Russia is in itself a success. However, he stressed, the main goal now is the preservation of USSR's integrity.

"Supporting the Union republics" aspiration for sovereignty, the Russian president should not forget about republics inside the Russian Federation which can also proclaim their sovereignty. Yugoslavia is an example of what happens if sovereignty is proclaimed unilaterally," Mr. Shved noted.

He also reminded that in London leaders of the seven major industrialized countries expressed support of Mikhail Gorbachev and the preservation of the USSR as a unique state but at the same time admitted that the political center of the Union is shifting for Russia. "It is hard to understand the present situation when Gorbachev is struggling for the Union's preservation, Yeltsin is concluding interstate treaties with republics proclaiming independence and one supports the republics proclaiming independence and one supports the other," Vladislav Shved pointed out.

Government Demands Halt to OMON Activities

*LD3007110491 Moscow TASS International Service
in Russian 0947 GMT 30 Jul 91*

[By TASS correspondent Kazis Ustisea]

[Text] Vilnius, 20 Jul (TASS)—The Government of Lithuania has "insistently demanded" that the USSR

Government should "in the very near future apply decisive measures to stop the illegal actions of subunits of the OMON [special purpose militia units] of the USSR Ministry of Internal Affairs on the territory of Lithuania."

A Lithuanian Government statement issued yesterday evening expresses the hope that these subunits will be disbanded or withdrawn from the republic. The grounds for this latest statement on this subject were an incident on 28 July, when "armed servicemen attacked a customs control post in the village of Salociai in Pasvalis Rayon" and burned down the post.

The Government of Lithuania accused the Government of the USSR and the leadership of the USSR Ministry of Internal Affairs of "failing to take any concrete actions" to stop such actions by the OMON.

Further Attacks on Lithuanian Customs Post

*LD2907160391 Vilnius Radio Vilnius Network
in Lithuanian 0830 GMT 29 Jul 91*

[Excerpts] Yesterday, there were further attacks against the country's defense department officials at a Lithuanian customs post. [passage omitted]

After the first attack there was another attack at 1410 [1110 GMT].

Four vehicles, without state license plates, arrived at the customs post again from the Latvian side; 20-25 men, dressed in [word indistinct] military uniform and wearing berets, emerged from the vehicles.

Although the four Defense Department officials, who were inside the post, attempted to hide, the attackers pursued them, firing shots from their automatic weapons. They caught one of them—one of our officials. Well, they stripped him of his clothes, forced him to do [word indistinct] and forced him to repeat out loud, in Russian that he supposedly loves the USSR. Afterward they took documents, clothing, and rubber truncheons from the post. They detonated two grenades at the small bus station and told people to relay to everybody greetings from the Riga OMON [Special Purpose Militia Detachment] staff members. They promised to return again.

Moreover, as they were departing, they punctured the tires of 64 vehicles—61 of which were standing adjacent to the post—and they ripped down the wire.

I will repeat again that a group of procuracy and police commissariat officials has gone to the site of the events. [passage omitted]

More on 28 Jul Border Attacks

*OW3007025291 Moscow INTERFAX in English
0930 GMT 29 Jul 91*

[Following item transmitted via KYODO]

[Text] As an orderly officer of the Lithuanian Home Defense Department told BF [BALTFAX], the Lithuanian border post of Salociai on the frontier with Latvia was attacked July 28 at 1:00 a.m.

Five men wearing civilian clothes and armed with automatic rifles arrived at the post from the direction of Latvia in an automobile VAZ-2106 with Latvian number-plate "70-89". Threatening with arms, they ordered six border guards (3 Home Defense and 3 Lithuanian customs officers) to lie down on earth. One guard was beaten on his head with an automatic rifle. The attackers took away money, uniforms, three walkie-talkies and documents from the guards and set fire to the customs booth.

The Salociai border post was once again attacked on the same day at 2:20 p.m. About 20-25 armed men in camouflage uniforms arrived in four automobiles from the direction of Latvia and opened fire up in the air. They were speaking Latvian and Russian.

On July 28 at 1:25 a.m. six armed men in civilian clothes arrived at the Latvian customs post of Rainis in the Bauski region in a GAZ-3102 automobile. They severely beat two militiamen and one customs officer and burned down the post. All of the attackers managed to escape.

Government Protests Attack

LD3007103491 Vilnius Radio Vilnius International
Service in Lithuanian 0100 GMT 30 Jul 91

[Text] The Salociai border post in Pasvalys Rayon was once again attacked and destroyed over the weekend. On Saturday night, five armed men arrived at the checkpoint in a car. Three members of the country's defense department and three customs officials were made to lie on the ground. One of them was hit on the head with a rifle butt. The terrorists poured oil on the checkpoint and burned it. The Lithuanian officials were robbed of their money, uniforms, customs documents, and two radios.

At about the same time, just after 0100, an armed civilian broke into a house near the checkpoint and started insulting people who were celebrating a birthday, tore down the Lithuanian coat of arms, and damaged an electric meter, and left.

On Sunday at 1400, the checkpoint was attacked again. About twenty armed men wearing camouflage uniforms arrived in four cars. They persecuted four customs officials and shot over their heads. Having seized one customs official, they ridiculed him. Speaking in Russian and Latvian, the attackers carried on for about an hour. Before leaving, they set off two grenades at a bus stop and damaged a car that was there.

According to the BALTIC NEWS SERVICE, two similar attacks were carried out at almost the same time over the weekend at the (name indistinct) customs checkpoint in Bausak Rayon, in the Republic of Latvia.

The government of the Republic of Lithuania announced today that it is compelled to state that armed units of the Soviet Union's Ministry of Internal Affairs have resumed their terrorist acts in the Republic of Lithuania. Although the Soviet Union's government has been approached more than once, the leadership of the Soviet Union's Ministry of Internal Affairs has not taken any concrete steps to bar the unlawful acts of Special Purpose Militia Detachment in the Republic of Lithuania. As far as new attacks are concerned, the government of the Republic of Lithuania draws attention to a regular coincidence of such terrorist acts with the coming important meetings of President Gorbachev. This time it is on the eve of his meeting with President Bush.

We expect, says the statement, that the Soviet Union's Ministry of Internal Affairs will order these units to be disbanded or withdrawn from the territory of the Republic of Lithuania and the perpetrators of terrorist acts against the Republic of Lithuania and its citizens will be exposed and punished.

Militia Team Detains Home Defense Employee

OW3007061791 Moscow BALTFAX in English
1230 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The USSR Interior Ministry's press center reports on July 27 at 7 a.m. at a check-point in the village of Chernikhovskoye in the Nesterovski district of the Russian Federation's Kaliningrad region, on the border with Lithuania, a militia team detained an employee of the Lithuanian Home Defense Department E. Kaliunas riding his car.

The militiamen found in the car one automatic pistol, one home-made small-caliber pistol with muffler, a foreign-made small gas cylinder, a clasp knife, cartridges and militia rubber clubs.

Republic TV Director Continues Hunger Strike

OW3007052091 Moscow BALTFAX in English
1530 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] Today is the 10th day of a hunger strike staged by General Director of the Lithuanian TV and Radio Skirmantas Valiulis near the TV and Radio Center building captured by the military on January 13. In fact, Mr. Valiulis has joined the long hunger strike launched earlier by journalists and technical personnel of the occupied Center. He told BF [BALTFAX] that "will go on striking as long as he can."

Yeltsin, Landsbergis Sign Interrepublic Treaty**Civil Rights Guaranteed***LD2907164291 Moscow TASS in English 1615 GMT
29 Jul 91*

[By TASS correspondent Boris Zverev]

[Text] Moscow July 29 TASS—Russian President Boris Yeltsin and Lithuanian leader Vytautas Landsbergis signed a treaty on principles of inter-state relations between the two republics in Moscow today.

Addressing journalists after the signing ceremony, Yeltsin stressed "the immense importance of the document to both sides."

The treaty envisages cooperation in culture, arts, health, education, science, information, technology and other spheres. In the economic field, both republics plan to apply most-favoured nation treatment to each other.

The treaty will guarantee civil rights and liberties of people living in Russia and Lithuania.

The signing of the treaty opens a new page in relations between the Russian Federation and Lithuania, Yeltsin said. "Our states are looking into the future, and the treaty shows that we can and will march side by side, coordinating our actions for the benefit of our peoples."

Landsbergis said that the treaty with Russia is a document of "great and principled importance to both countries." Its significance exceeds the framework of the bilateral accord, he said, expressing hope that Russia "will set a good example for other states."

Yeltsin considered the situation following his "departy-ization" decree on the removal of party cells from state structures on Russian territory. He said that the statement by the Soviet Communist Party Central Committee and calls to boycott the decree "provoke confrontation between the centre and the republics, between the presidents of the country and Russia."

"The decree does not curtail civil rights or liberties, but it does curtail the monopoly of one party or, to be more precise, of the partocracy," said the Russian leader.

He described the Communist Party statement "as a manifestation of cynicism towards its own people" who actively supported in the June 12 elections the course towards economic and political reforms and rejected the programme of the candidates from the party "that brought the people to poverty, and the country to disgrace."

The decree responds to the people's will for a renewed republic and it should be implemented, Yeltsin said.

Asked about possible measures to neutralise the decree on the part of the USSR president, Yeltsin said that Mikhail Gorbachev "will have enough common sense

not to do it." "If he touches the decree, this may cause serious imbalance in our relations," Yeltsin warned.

Kaliningrad Oblast Discussed*LD2907165791 Moscow All-Union Radio Mayak
Network in Russian 1420 GMT 29 Jul 91*

[Text] [Announcer] As promised, we are going to talk about the treaty on the foundations of inter-state relations between Russia and Lithuania. This treaty has just been signed in Moscow. With me in the studio now is Lyudmila Semina, she has returned from the House of Soviets of Russia where the signing of the document was held. Go ahead, Lyudmila, we're listening.

[Semina] Yes, and I even have the text of the treaty with me. As you can see, it is very bulky, this is not just the treaty, there are also two agreements specifying certain articles in the treaty. And immediately following the signing there was a short news conference, and Vytautas Landsbergis remarked that work on the treaty began during difficult times for Russia and Lithuania. This was, indeed, a difficult, dark period for both republics, and the fact that Russia and Lithuania had taken a step toward one another would help the two sovereign republics fit into some kind of common union area. Lithuania and Russia have agreed to build their inter-state relations on the principles of friendship, good-neighborliness, equality of rights, and mutual benefit, in accordance with commonly acknowledged norms of international law to the good of the peoples of both states.

Russia and Lithuania have also agreed on a very difficult issue—it was the most sensitive issue—on observing citizens' rights in their republics: Russians in Lithuania and Lithuanians in Russia. Article four of the treaty deals with this, it's the most detailed, and it precisely specifies how Russians should acquire citizenship of the Republic of Lithuania, or how Lithuanians should acquire Russian citizenship.

[Announcer] I understand from this that the citizens of both republics will be guaranteed all human rights and basic liberties?

[Semina] Yes, that's right—I would have to read all this in detail and tell you—there was a certain residence qualification. If, for example, a person who came after 3 November 1989 has the right to acquire citizenship of the Republic of Lithuania on the basis of exercise of free will under the procedures provided for by legislation, he is not affected by the requirements for residence qualification and knowledge of the Lithuanian language. The main thing is that each side guarantees citizens all human rights and basic liberties. Separate inter-government agreements will also regulate issues concerning immigration in connection with finding work. The sides have recognized the need for cooperation and for exchanges in the fields of culture, art, health care, education, science, information, technology, and other

fields, and the main thing is the common economic area which is so essential in our difficult times.

At a short press conference following the signing of the treaty, Boris Nikolayevich Yeltsin noted that the obligations of the two republics have been specified in particular in the maintenance of favorable conditions for the economy and national and cultural development of Kaliningrad Oblast. This has also been a very difficult issue, and the citizens of this oblast have been very worried, so now both Russia and Lithuania will care for the development of Kaliningrad Oblast. Boris Nikolayevich went on to say that the sides, that is, Lithuania and Russia, will exchange plenipotentiary missions. The treaty is subject to ratification, and the exchange of the ratification documents will take place in Vilnius. There are 20 articles in the treaty in all, and I cannot tell you everything here.

I'll tell you that again, at this press conference, too, the question arose of the Russian president's decree on banning party activity in the republic's establishments and enterprises. This is currently the most vexed issue, and so it is being talked about everywhere. Boris Nikolayevich again stressed that he has his own point of view on the CPSU Central Committee statement. He categorically denies that this decree is unconstitutional; on the contrary, Boris Nikolayevich Yeltsin believes that the party structures have not actually been carrying out the new wording of Article Six of the Constitution—the CPSU remains the ruling party, and this is particularly noticeable in the localities. The decree is directed against confrontation between different parties and political movements—when at work, you have to work. Boris Yeltsin actually called the CPSU Central Committee statement a display of cynicism. He also reported his own meeting with the Chairman of the Committee for the Supervision of the Constitution Sergey Sergeyevich Alexeyev, and said that in their conversation they discussed the sovereign right of the republics to resolve their problems for themselves.

Further information for anyone interested—the Lithuanian permanent representative has invited journalists to his press conference at 1815 today.

Delegation Members Listed

LD2907210791 Vilnius Radio Vilnius Network
in Lithuanian 1800 GMT 29 Jul 91

[Report by Balys Bucelis, ELTA's "special correspondent"]

[Text] The treaty signed in Moscow today between the Republic of Lithuania and the Russian Soviet Federated Socialist Republic lays the foundations for interstate relations. The treaty was signed by Vytautas Landsbergis, chairman of the Supreme Council of the Republic of Lithuania, and Russian Federation President Boris Yeltsin. The Lithuanian state delegation—Ceslovas Stankevicius, deputy chairman of the Supreme Council of the Republic of Lithuania; Prime Minister Gediminas

Vagnorius; Foreign Minister Algirdas Saudargas; Virgilijus Cepaitis and Emanuelis Zingeris, chairmen of the parliamentary commissions; and a group of deputies of the Supreme Council of the Republic of Lithuania—participated both in the discussion of the treaty, which took place prior to the signing, and in the signing ceremony. Russian Federation Vice President Aleksandr Rutskoy; Ruslan Khasbulatov, first deputy chairman of the Supreme Soviet; Prime Minister Ivan Silayev; Vladimir (?Kukin), chairman of the Supreme Soviet Foreign Relations Commission; Foreign Minister Andrey Kozyrev; and [words indistinct] attended the treaty signing from the Russian side. The treaty consists of 20 articles in which the principles of the state and economic relations, as well as cultural relations between the republic of Lithuania and the Russian Federation, are recorded. It reads, in part: The high contracting parties recognize each other as subjects of international law, enjoying full rights and as sovereign states according to their state status defined by the basic acts adopted by the Russian Soviet Federated Socialist Republic [RSFSR] on 12 June 1990 and the republic of Lithuania on 11 March 1991. Both the high contracting parties recognize the inalienable right of the other high contracting party to state independence, and the entire legislative, executive, and legal authority on the territory of the other high contracting party is fully recognized. Gediminas Vagnorius, prime minister of the Republic of Lithuania, and Russian Federation Prime Minister Ivan Silayev signed an agreement between the republic of Lithuania and the RSFSR concerning the RSFSR Kaliningrad Oblast's economic, social, and cultural development. The protocol concerning the setup of the RSFSR plenipotentiary mission in the Republic of Lithuania and the plenipotentiary mission of the Republic of Lithuania in the RSFSR was signed by Algirdas Saudargas, foreign minister of the Republic of Lithuania, and Russian Federation Foreign Minister Andrey Kozyrev. Following the treaty signing, Boris Yeltsin and Vytautas Landsbergis made speeches. They answered journalists' questions. Dinner was given by the Russian Federation president in honor of the delegation of the Republic of Lithuania. (?Yesterday), a news conference for the USSR, Lithuanian, and foreign journalists accredited in Moscow took place at the permanent mission of the government of the Republic of Lithuania in Moscow. The news conference was held by Vytautas Landsbergis and Aleksandr Rutskoy. Supreme Council Deputy Chairman Ceslovas Stankevicius, Prime Minister Gediminas Vagnorius, and Foreign Minister Algirdas Saudargas also participated.

News Conference on Treaty

LD2907201091 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1600 GMT 29 Jul 91

[Text] A treaty on the fundamentals of interstate relations between Russia and Lithuania was signed in Moscow today. Right after the signing ceremony a brief

news-conference, attended by a great number of journalists, took place. Boris Nikolayevich Yeltsin and Vytautas Landsbergis said, among other things:

[Begin recording] [Yeltsin] Relations between Lithuania and Russia, which are multifaceted and based on a deep historical tradition, have been put on a strong legal basis. For centuries our people have had close links with one another. Ivan Fedorov, great Russian printing pioneer, worked on Lithuanian soil. The creative work and political activity of Jurgis Baltrusaitis, Lithuanian poet, was connected with Russia. Despite all its complexities, our history could not divide the peoples or destroy the ties that link us.

The treaty recognizes the parties as sovereign states and subjects of international law. We intend to build relations with the Lithuanian Republic in a civilized way, on the basis of the declarations of sovereignty adopted by our states, on the basis of generally recognized principles and norms of international law. The treaty determines not only mutual rights but primarily duties with respect to one another. Lithuania and Russia guarantee their citizens, regardless of their nationalities and other particulars, equal rights and freedoms in accordance with generally acceptable international legal norms. Special articles of the treaty are devoted to the problem of citizenship and to ensuring political, social, economic, and cultural rights and freedoms of citizens.

A good deal of time and consultations between the parties was required in order to agree to these articles. They are set out in a clear-cut and unequivocal way. In addition, the sides' actions have been agreed upon in the area of emigration policy. An accord has been attained on preparing a special agreement on the issue of the resettlement of citizens. Plenipotentiary missions of the states will be opened in Moscow and Vilnius.

Lithuania and Russia have agreed to develop economic relations on the basis of the most favored nation principle. We have agreed to set up joint enterprises, to develop mutually beneficial contacts, and to inform one another about economic decisions which could touch upon the sides' interests. The conditions of the economic, national, and cultural development of Kaliningrad Oblast will be regulated by a special agreement. The Russia-Lithuania treaty will give an impetus to holding talks with the Union.

[Landsbergis] Advancing along the difficult path of the peaceful political restoration of state independence the Lithuanian Republic has come across various degrees of understanding or lack of understanding, direct or indirect support, or lack of support. We understand very well that this is the way of this complex world, but in this complex world, in the person of new Russia and its new president, we have met something that I am confident inspires hope, and not only in the hearts of Lithuanian citizens. Let Russia be a good example of how one can advance toward a world of greater justice, hope and kindness towards one another. [end recording]

Yeltsin, Landsbergis Cited

LD3007100991 Vilnius Radio Vilnius International Service in Lithuanian 0100 GMT 30 Jul 91

[Summary] The treaty on the basis of interstate relations between Lithuania and Russia was signed by Vytautas Landsbergis and Boris Yeltsin. The heads of the delegations delivered speeches.

Russian President Boris Yeltsin said among other things that the new treaty makes it possible to develop relations between the two states in a civilized manner, on the basis of general human values and international law. According to Boris Yeltsin, the agreements signed today are very important in consolidating human rights. He is convinced that today's agreements will serve as a stimulus in negotiations with the Soviet Union. It is astonishing, said Boris Yeltsin, that in spite of the decision it adopted, for one year the central leadership has been ignoring the opportunities of normalizing relations between sovereign Lithuania and the Soviet Union. Returning to the treaty, Boris Yeltsin stated that it is exceptionally important and, according to him, we can and will advance side by side coordinating interests in the name of our nations.

Vytautas Landsbergis, Lithuanian parliament chairman, concurring with President Yeltsin's assessments of the treaty, extolled in his speech the new Russia's role and its leader's on the difficult path of restoring Lithuania's statehood and in the whole world in general.

Yeltsin, Shevardnadze Discuss Democratic Movement

LD2707084191 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 26 Jul 91

[Text] Russian Soviet Federated Socialist Republic President Boris Yeltsin had a meeting with Eduard Shevardnadze at his request in the House of Soviets today. An exchange of opinions relating to issues of domestic policy, international relations, and the development of the democratic movement in the Russian Federation took place.

New Service Established To Protect President

LD2907083591 Moscow All-Union Radio Mayak Network in Russian 0500 GMT 29 Jul 91

[Text] A new service has been set up for the security of the Russian Soviet Federated Socialist Republic president. It is believed to employ 300 people. KOMMERSANT has obtained some details about the service. It was decided to set up the protection service in accordance with the U.S. method of having two zones of protection. A small circle of bodyguards will operate in the first zone, and a large circle of agents will keep an eye at all times on his office, apartment, country residence, and other places visited by the president. There will also be other groups. It is presupposed that this method will ensure the safety of the president.

More Reaction to Yeltsin's Departyization Decree

Yeltsin Defends Policy

LD2907195491 Moscow Radio Rossi Network
in Russian 1900 GMT 29 Jul 91

[Text] I want to express my viewpoint on the CPSU Central Committee's statement on the [departyization] decree, said Boris Yeltsin. They hastened to declare the decree anti-constitutional. I resolutely reject charges of this kind. The decree is directed at implementing for real, and not just formally, the repeal of Article Six of the Constitution and at preventing a possible confrontation between various parties in labor collectives. The CPSU Central Committee's statement and the appeal to the USSR Constitutional Supervision Committee provoke confrontation between the center and the republics, between the president of the union and the president of Russia.

Replying to a question whether, in his view, countermeasures on the part of the USSR president are possible, Boris Yeltsin said: Gorbachev ought to be wise enough to refrain from doing this, as it would introduce a colossal imbalance to the political process under way. I see the CPSU Central Committee's statement, Yeltsin said, as a manifestation of cynicism toward one's own people who at the 12 June elections supported the [word indistinct] political and economic reforms and rejected the candidates of the party which brought poverty to the people and shame on the country.

Yeltsin rejected accusations that his policies are (?characterized) by unpredictability. He recalled that during the election campaign, he stated that the decree banning party activity would be among his first decrees. He reported that he had had a meeting with Sergey Alekseyev, chairman of the USSR Constitutional Supervision Committee, and that he told him of the viewpoint of Russia's leadership. The decree that has been signed, he said, does not curtail civic rights and liberties, but the monopoly of one party or, to be more correct, partocracy.

One can draw the conclusion from this that Yeltsin has no intention of suspending the decree in response to the [word indistinct] of the USSR Constitutional Supervision Committee.

Urges Gorbachev Not To Interfere

OW3007013791 Moscow INTERFAX in English
1500 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The RSFSR [Russian Soviet Federated Socialist Republic] President Boris Yeltsin has emphatically dismissed the claim to the effect that his decree to remove party cells from government offices is unconstitutional. He was speaking during the signing of a treaty between Russia and Lithuania in Moscow on Monday.

"The aim of my decree is to the monopoly of party bureaucrats and to put all political parties and movements in the same democratic conditions. Moreover, the decree is designed to rule out likely political confrontations between parties and movements".

The statement by the CPSU Central Committee and the calls to defy the decree, he went on to say, provoke confrontation between the Centre and republics and between the Presidents of the Soviet Union and Russia.

Yeltsin believes that the CPSU Central Committee statement is a "manifestation of cynicism towards its own people". At the elections of the republican President the people of Russia firmly supported the course towards economic and political reforms and dismissed the candidates from a party that had "impoverished the people and put the country in disgrace".

Boris Yeltsin told IF [INTERFAX] that he had not discussed the draft decree with President Gorbachev of the CPSU CC. "Those days when one had to coordinate any document with the CPSU Central Committee are gone never to return." Boris Yeltsin said that some forces used his decree to continue "speculations about Yeltsin's political unpredictability". In that connection he said he had repeatedly announced his intention to take that step, if he were elected Russia's President.

Boris Yeltsin said that he had had a meeting with the USSR Constitutional supervision committee chairman Sergey Alekseyev. At that meeting, he said that firstly the claims of his decree being unconstitutional were groundless, and secondly, the Committee had no power to look into that issue, because it was entirely the business a sovereign republic. [sentence as received]

"I believe", Boris Yeltsin said, "that the USSR President has enough common sense not to start a new chapter of the war of laws and not to upset the system of balanced mutual agreements and business-like relations. If Mikhail Gorbachev takes action against the decree, this may cause a serious imbalance in our relations".

Pledges To Enforce Ban

AU2907163491 Paris AFP in English 1601 GMT
29 Jul 91

[Text] Moscow, July 29 (AFP) - Russian President Boris Yeltsin, ignoring appeals from Soviet communists and state authorities, pledged on Monday to enforce a decree banning Communist Party cells in Russian offices and factories.

At a news conference, Mr. Yeltsin justified the decree due to come into force next Saturday.

He denounced the "cynicism" of the Communist Party Central Committee which on Friday condemned the decree on the grounds that it was anti-constitutional and violated "international norms of civic and political rights."

"I categorically reject these accusations," he said.

Mr. Yeltsin said the decree, issued on July 20, was aimed at breaking a party monopoly on power that had been officially abandoned more than a year ago.

"Despite the adoption of these changes in legislation, the Soviet Communist Party continues to take up dominant positions in the most far-flung places," he said.

"The decree has one sole aim: To create equal and democratic conditions for the activity of different parties and political movements, and put an end to the politicization of society."

The decision reflected "the expression of the will of the people and must be applied," he said.

The Soviet Constitutional Monitoring Committee, set up by Soviet President Mikhail Gorbachev, had on Saturday urged Mr. Yeltsin to freeze the decree until it had made a ruling on the issue.

But committee chairman Sergey Alexeyev noted that the Russian president was not obliged to follow the committee's recommendations.

Mr. Gorbachev has meanwhile pledged to stop the Russian decree by any means "up to and including" a presidential decree.

The Yeltsin decree bans activities by political parties in the Russian workplace, but is essentially aimed at the Communist Party, which conserves a powerful network of party cells throughout the country.

Says No Ground for Suspending Decree

*OW3007070591 Moscow INTERFAX in English
1330 GMT 29 Jul 91*

[Following item transmitted via KYODO]

[Text] As it's known the Soviet Committee of the Constitutional inspection appealed to the President of Russia requesting to suspend his Decree on departyization until a legal examination is carried out on it.

As the State adviser on legal activities of the Russian President S. Shakhrai informed the "IF" [INTERFAX] correspondent I. Inovely the request of the Soviet Committee of the Constitutional Inspection was "considered by the Russian President with a great respect and attention".

According to S. Shakhrai, the Russian President also "formulated his assignment which will be officially presented to the press today later." As S. Shakhrai stressed the President considered in this assignment that there was no ground for suspending the decree on departyization which starts on August, 3d.

S. Shakhrai also said that the President stressed once more in his assignment that the decree would not be enforced into practice by authorities.

Decree 'Already' in Effect in Moscow

*LD2907210591 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1900 GMT 29 Jul 91*

[Text] The Russian Federated Socialist Republic president's decree on departyization has already gone into effect in the capital—the Moscow City Soviet and structures subordinate to it. This was reported at a news conference today by Stankevich, deputy chairman of the Moscow City Soviet.

Concerning some other issues of Moscow life today, he spoke in particular about the fact that at the last session of the Moscow City Soviet Executive Committee, a decision was adopted to form an audit chamber, which will monitor the use of financial means.

Fears of Center Suspending Decree

*OW2907084291 Moscow INTERFAX in English
1800 GMT 26 Jul 91*

[Following item transmitted via KYODO]

[Text] The executive secretary of the Constitutional Commission of the Russian Federation, Oleg Rummyantsev, has said today that he fears the Constitutional Supervision Committee of the USSR may declare the Russian President's decree removing party cells from government bodies and state-owned enterprises (the departyization decree) invalid. Rummyantsev was speaking at a meeting of leaders of Moscow branches of political parties and movements in the building of the Moscow.

He said that he supported the political meaning of the decree, which he considered timely. "The decree is a continuation of the policy outlined by the Decree on Power passed by the First Congress of People's Deputies of the Russian Federation," he said. He did not believe that the decree contradicted the Constitution in any way.

But, he did not think the decree had an adequate legal basis. The Constitutional Supervision Committee may use this as a reason for suspending the decree as from tomorrow, Rummyantsev said. The committee decision will come into force immediately after it is passed, since the decree comes within the human rights sphere.

The Communist Party claims that the decree is a violation of Article 49 of the Constitution, which stipulates that the states shall help public associations attain the aims proclaimed in their rules. The existence of CPSU cells at enterprises is not an aim set by the party's rules, Rummyantsev said, and therefore the abolition of such cells, which is what the decree does, does not violate Article 49.

Rummyantsev said that the decree should be ratified in the Russian Parliament and a Russian constitutional court set up as soon as possible. Yeltsin's advisers should also be asked to provide a sounder legal basis for his decrees.

Since Russia still has no constitutional court, an unfavourable decision on the part of the Constitutional Supervision Committee, Rummyantsev believes, will start a new round in the war of laws and will face the Russian Government with serious problems.

Justice Minister Comments

PM3007080191 Moscow IZVESTIYA in Russian
24 Jul 91 Union Edition p 2

["Events and Comments" interview with RSFSR Justice Minister N. Fedorov by Yu. Feofanov; date and place of interview not given: "Without Party Committees? RSFSR Justice Minister N. Fedorov on the Decree of Russia's President"]

[Text] [Feofanov] The second decree of Russia's president, on departyization, is not likely to leave people indifferent—some will welcome it and others will protest it. For the time being, let us find out what its actual implications are. Vasily Nikolayevich, could you tell us to whom specifically this decree will apply and what institutions are involved?

[Fedorov] It will apply to all institutions located on Russia's territory, or, in other words, falling under its jurisdiction, as it is currently referred to. This means Soviets, that is administrative organs and all their subdivisions, judicial organs, MVD [Ministry of Internal Affairs] and KGB organs which fall under RSFSR [Russian Soviet Federated Socialist Republic] jurisdiction, all budget-financed organizations, scientific institutions, and state enterprises.

[Feofanov] What about railroad transport, for example?

[Fedorov] Railroad transport, too. It would be simpler to list the exclusions. They consist of central departments—the Ministry of Defense, the KGB, the MVD, the USSR Prosecutor's Office, the USSR Supreme Court, and the Constitutional Oversight Committee.

[Feofanov] Does this mean that the decree does not apply to local militia departments, for example, or the military commissariats, prosecutor's office institutions, or local courts?

[Fedorov] No, it does not mean this. Only the central apparatuses of these departments and the army and internal and border troops are outside the decree's sphere of influence. That is, institutions which have been transferred to USSR jurisdiction by resolution of the First Congress of RSFSR People's Deputies. All the local and republic-level institutions of these departments fall under Russia's jurisdiction, and that includes the militia and security organs, military commissariats, and so forth.

[Feofanov] The former autonomous entities which are now sovereign republics within the RSFSR have to

comply with the decree. Do you not foresee any opposition on their part? After all, the Supreme Soviet resolution which banned people from simultaneously holding the post of Soviet and party organ leader was sabotaged in many places.

[Fedorov] Any attempt not to comply with the decree lacks a legal basis, it goes against the Constitution. Naturally, your misgivings cannot be rejected altogether. But the situation has nonetheless changed since then. Public opinion is not what it used to be, and the authorities are not the same—Russia's president has received his mandate from the people, and I hope he will maintain a tighter grip than a year ago.

[Feofanov] Nonetheless.... Does the decree include some sort of mechanisms for its implementation? What is to be done if anyone refuses to comply? What specific steps will you take?

[Fedorov] The decree makes the Russian Federation Prosecutor's Office directly responsible for monitoring its implementation. The RSFSR Supreme Court adopted a law on liability for failure to comply with laws last year. Sanctions against officials can be up to 10,000 rubles [R].

[Feofanov] That is a substantial sum of money. But what if someone, even threatened with such a fine, refuses to waive his principles and tries to retain the party committee. Is there a power structure which can exert pressure from the top, so to speak?

[Fedorov] There is no such mechanism in the decree. I believe that legal action, a court decision on administrative action against a leader, will be sufficient. If people have to pay R10,000 on each occasion, I will be interested to see how long they insist on abiding by their principles.

[Feofanov] What will happen, for example, if a rayon or oblast Communist Party committee issues instructions not to comply with the decree and to retain party committees....

[Fedorov] In this case it will be possible not only to impose fines. If a party organ issues instructions of this kind, if it exhorts people to ignore a presidential decree, this will be tantamount to encouraging people to go against the law, against the Constitution. This will serve as a basis, under the Union law on public organizations, for banning the activities of such a party or organization via the courts.

[Feofanov] However, calls not to implement the decree, that is not to implement a law, also probably provide grounds for a criminal case to be brought?

[Fedorov] No, grounds for a criminal case in this situation are precisely defined in our country: urging the forcible overthrow or change of the existing system. It would hardly be lawful to interpret this rule broadly, in the spirit of the Stalinist totalitarian regime. We would be dealing with calls not to comply with laws in this case, no more, and I believe that administrative measures,

more moderate but nonetheless effective measures, should be sufficient. Measures such as banning the organization in question.

[Feofanov] Allow me to clarify: The decree applies to all state enterprises irrespective of whose jurisdiction they come under?

[Fedorov] Correct. It applies to all state-operated enterprises and institutions, state concerns, and all state enterprise labor collectives.

[Feofanov] Do you not foresee the following, albeit fictitious, situation? Say a collective somewhere disagrees with the decree, it may even resort to a strike to support its demand for retaining a party committee.

[Fedorov] The law is the law, and I believe that it cannot make any exceptions, no matter what the motives for violating it are; labor collectives will have to comply.

[Feofanov] You have said that military commissariats and local KGB and militia organs, excluding troops, will come within the scope of the decree. Let us imagine another fictitious situation: The leaders of these prestigious departments issue directives to lower levels to retain party committees.... Whom is the military commander or militia department chief to obey? The president is, of course, the boss, but your own minister is an even bigger boss.

[Fedorov] We have considered even such a situation. Dual subordination is a tricky business. However, in this sort of situation a directive to preserve party committees would have no legal force. Such a directive would be a call not to comply with a law. And the law specifies liability for this in the shape of a fine of up to R10,000 and other sanctions. Union ministers pleading that they do not read Russian law cannot use this as a justification. Ultimately, I believe that on Russia's territory the law will be the same for everyone.

KGB Deputy Chief Comments

PM3007094891 Moscow ROSSIYSKAYA GAZETA
in Russian 26 Jul 91 p 1

[Interview with RSFSR, Russian Soviet Federated Socialist Republic, KGB Deputy Chairman Vladimir Podelyakin by Yelizaveta Leontyeva under the rubric "Commentary"—date, place of interview not stated: "I Was Ready for This Long Ago"]

[Text] RSFSR [Russian Soviet Federated Socialist Republic] KGB Deputy Chairman Vladimir Podelyakin comments at our request on the RSFSR presidential decree.

[Leontyeva] Vladimir Andreyevich, what is your personal attitude toward the Decree on Departyization?

[Podelyakin] If I am to talk about my first impression, then it did not come as a surprise to me. Recently we had the first all-Russian conference of state security organs'

leaders—and we could not avoid talking about the fact that departyization was not far off. And I will tell you straight that no one faltered when they spoke....

I have made my choice. We have a president elected by the people. And those people in state service should carry out his decrees, not discuss them. That is how we are going to work.

[Leontyeva] So you don't consider this decree to be untimely, hasty, as all of the party's press is saying at the moment?

[Podelyakin] It is more that this problem's resolution is overdue, as happened, for example, with Article 6 of the USSR Constitution. Everybody understood that it was doomed, that it did not fit in with life, but they hung on to it to the last. It is the same here. It is clear that it is high time now, but nevertheless many people have started writing statements, appeals, and the like. Incidentally, this is the reaction not of rank and file Communists but mainly of the party apparatus.

In the meantime our party leaders should have realized that this time would come. And they could have thought up in advance a mechanism by which a person in state service could suspend his party membership. And they might have thought about how to find work for former full-time secretaries, and devised new forms of work with the Communists.

[Leontyeva] How do staffers of the organs of state security react to the decree?

[Podelyakin] There can be no two opinions about this. There should be no opposition to the president in the executive authorities. Although the other day we conducted an analysis of the situation in the Russian organs—in the provinces—and it turned out that in our 70 party organizations there are 39 full-time party workers. What does this indicate? That some of our leaders are not making predictions about what is happening, not looking into the future. And now they will have to find people jobs double quick.

[Leontyeva] Here's a question for you as a lawyer. Can the USSR president veto this decree?

[Podelyakin] If you are guided by the old Constitution, which has long been in need of being fundamentally reworked, and by the hasty decisions about electing the USSR president at the Supreme Soviet, then it is not out of the question that legal catches will be found. But major changes have already taken place in the Russian state system, the necessary legislative basis exists to allow the RSFSR president to resolve many questions autonomously.

And how can you not resolve them if the same old raykom [rayon party committee] and obkom [oblast party committee] secretaries continue to rule on the periphery—I know this from my own experience. I know that the local soviets are half—or even more—made up of former party workers. Thus the party structures'

influence is still fairly strong. Many party workers, taking advantage of their position, learned how to "make money." There is a catastrophic shortage of school textbooks in Bashkiria where I worked. And in the meantime the oblast party publishing house is making money issuing profitable literature, including erotic literature. I remember when together with the MVD [Ministry of Internal Affairs] we attempted to publish our own newspaper VERSIYA [VERSION] there, the obkom publishing house could find no paper for us. Yet they themselves—the obkom workers—were continually saying to us that the battle against crime is our common task....

To be frank, my own main boss was actually the first secretary of the party obkom. One half of my work was spent on him, I had to report to him regularly. And only later did we begin to look to the soviet organs for support. But the obkom continued to demand information, until we categorically refused.

[Leontyeva] Do you think that departyization will be more difficult in the Union KGB than in its Russian counterpart?

[Podelyakin] I think so. After all this question came up at the USSR Supreme Soviet session when the draft Law on the State Security Organs was discussed. Do you remember what a charged atmosphere there was then?

Parties Support Decree

LD2907204191 Moscow Radio Rossii Network
in Russian 1900 GMT 29 Jul 91

[Text] According to the Russian Information Agency, a sitting of the political committee and secretariat of the Russian National Monarchist Party adopted a decision to support the decree of the Russian president banning party activity. The leader of the Russian monarchists, Aleksey Brumel, said it is the party members' view that the decree broadens the frontiers of democracy, facilitates the implementation of the principles of a multi-party system, and prevents the emergence of a new totalitarian regime.

One more statement we received today sets out the position of the executive committee of the Democratic Party of Russia [DPR]. Boris Yeltsin's Decree No. 14 is seen in this document as a genuine step toward civic consensus. Enterprises, establishments and organizations are not a venue for political exercises, the document notes. The DPR executive committee also condemned the statement adopted at the CPSU Central Committee plenum. The leaders of the DPR appeal to the rank and file CPSU members, and I quote: Remove your name from the workplace registration list and, if you wish, register yourselves according to where you live. By this step you will significantly assist the implementation of the public consensus policy pursued by the RSFSR president—end of quote.

Further Reaction Cited

LD2907163891 Moscow Radio Rossii Network
in Russian 1100 GMT 29 Jul 91

[Text] In recent days we have been constantly dealing with the topic of the decree by Boris Yeltsin, president of the Russian Soviet Federated Socialist Republic, on departyization. Today we have received two responses to this document.

Let us begin with information from the Russian Information Agency. The assertion that the decree by the Russian president on departyization contradicts the existing juridical norms is unsubstantiated. (Gennadiy Likhachev), procurator of the Maritime Kray, stated at a meeting with leaders of the party organizations of Vladivostok. At the same time, the procurator noted that the activities of the Russian Communist Party—which is still not registered as a political organization and does not have its own rules and program—could be deemed illegal.

The URALINFORM agency reports that (Litovchenko), first secretary of the Chelyabinsk Oblast Committee of the CPSU, has sent a telegram to Boris Yeltsin. The reason was the departyization decree. The telegram states in particular: We are in favor of cooperation with the legitimate authorities, however we reserve the right to come out against those decisions which inflame political passions and are directed against millions of honest communists.

Justice Ministry Clarifies Ban

OW2907045491 Moscow INTERFAX in English
1500 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] The RSFSR Legal Counsel's service and Justice Ministry have issued clarifications today, Saturday, in reply to inquiries and commentaries in mass media concerning the RSFSR President's decree No. 14 of July 20 "On Removing Party and Mass Movements Cells from State Bodies, Institutions and Organisation of the Russian Federation."

The decree follows the RSFSR Constitution and fully complies with the constitutional norms and laws of the USSR and RSFSR on political rights and the International Pact on civil and political rights—goes the statement.

Banning the activities and organisational structures of political parties and mass movements at state institutions the decree provides equal rights to various public organisations in running the state and gives better guarantees for the citizens' political rights.

The decree concerns the structures of parties and mass movements pursuing political ends, without affecting

trade unions or women's, veterans', youth, cultural, educational, scientific, technical or such voluntary societies.

The decree implies repealing state and party acts giving privileged conditions for one political party against all others.

The statement issued on Saturday stresses that the presidential decree is not meant to cause any additional tension in the republic. The state bodies responsible for implementing the decree are authorized to put an end to any violent or non-legal attempts to hamper it.

Foreign Minister Holds Talks in Cyprus

LD2907184791 Moscow TASS International Service
in Russian 0905 GMT 29 Jul 91

[By TASS correspondent Viktor Doroshenko]

[Text] Nicosia, 29 Jul (TASS)—A.V. Kozyrev, Russian Soviet Federated Socialist Republic [RSFSR] minister of foreign affairs, who is on a visit to Cyprus, has met Y. Vasiliou, the country's president, Y. Iakovou, minister of foreign affairs, and other representatives of the republic's leadership, local authorities and business circles.

Russian-Cypriot contacts are directed toward better clarifying the positions of the parties with an interest, the minister observed in an interview with your TASS correspondent. Thus far Russia has no need to elaborate any special position on the Cyprus issue in addition to the Union one declared by President M.S. Gorbachev. The development of ties between Cyprus and Russia, just like those with the whole Union, will only promote a resolution of the Cyprus problem, he said.

Touching on the issue of dividing the levels of Union and republican foreign political ties, the RSFSR minister said that his department will proceed from pragmatic positions and from the fact that Russian contacts with

other states not only do not run counter to Union ones, but also, on the contrary, give them added reserves of strength. Foreign governments have a correct perception of this. The Cyprus Government is not interested in any kind of friction between the Union and republican foreign ministries. We have no intention of pulling to pieces all the diplomatic capital that has been amassed in the USSR's history. We have so much in common in various spheres that there is plenty there for both the Union department and the Russian one, the minister emphasized.

Nakhodka Free Enterprise Zone Developing Slowly

OW2907084191 Moscow INTERFAX in English
1230 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] The zone of free enterprise in Nakhodka develops too slowly, said V. Chernogorodskiy, chairman of Russia's State Committee on antimonopoly Policy and Support for New Economic Structures. He is visiting the Pacific Maritime Territory together with a group of Russian government officials.

According to V. Chernogorodskiy, "Russia's Council of Ministers and the leaders of Nakhodka have not worked hard enough to effectuate the idea of free enterprise zone." He called for using European Bank funds designed to give aid to the USSR to finance the free-zone project.

It has been decided to determine during the visit of Chernogorodskiy and Russian Government officials to Nakhodka the status of facilities run by the center in Nakhodka, open a branch of Russia's bank in Nakhodka and finally stipulate hard-currency and taxation privileges whose absence prevents foreign businessmen from investing money in the local economy. Russia's Council of Ministers appointed its own authorized representative at the local administrative committee to be in charge of the zone of free enterprise.

Belorussia

Dissatisfaction With Chernobyl Work Expressed

LD2907211791 Minsk Radio Minsk Network
in Belorussian 0300 GMT 27 Jul 91

[Text] The sitting of the bureau of the Central Committee of the Communist Party of Belorussia which took place considered in detail the procedures for implementing the resolutions of the 31st Congress of the Communist Party of Belorussia on the problems of the Chernobyl catastrophe. The report, delivered by Aleksey Kamay, second secretary of the Central Committee of the Communist Party of Belorussia, appraised and drew conclusions from the present situation of affairs, and presented the main tasks of the party, soviet, and economic bodies of the republic in the matter of eliminating the aftermath of the Chernobyl catastrophe and how to implement them.

During the period between January-June 1991, only 10 percent of the families of the year's goal have been resettled. Their resettlement from territories with a radiation level of 40 and over curies per square meter has not been completed. In the sphere of health protection, the provision of medical prophylactic establishments with modern equipment has not been fully solved—some of them have only half the needed staff. The provision of the population in the affected areas with foodstuffs and industrial goods calls for reprimand.

In the adopted resolution, the bureau of the Central Committee of the Communist Party of Belorussia instructs the party organizations to provide a more effective and purposeful implementation of the requirements of the resolution of the 31st Congress of the Communist Party of Belorussia. A number of agreements which were reached during Gorbachev's visits to Gomel and Mogilev Oblasts are being implemented unsatisfactorily, for reasons which do not depend on the republic. In this connection it was decided to send an appeal from the bureau of the Central Committee of the Communist Party of Belorussia to USSR President and CPSU General Secretary Gorbachev's address.

Ukraine

Officers' Congress Elects Chair

LD2907171391 Moscow TASS International Service
in Russian 1150 GMT 29 Jul 91

[Text] Moscow, 29 Jul (TASS)—“Without a national army there can be no genuine sovereignty,” participants in the First Congress of Officer Citizens of the Ukraine have declared. It was held in Kiev on 27-28 July. Its delegates discussed the political situation in the Ukraine, the problem of the rebirth of its armed forces, and questions on the legal and social protection of servicemen and other questions.

The congress, convened on the initiative of the military collegiate of Rukh, [Ukrainian people's Movement for Perestroyka] formed the Union of Officers of the Ukraine and adopted its regulations. Colonel Vilen Martirosyan, USSR people's deputy, member of the Political Council of Rukh, was elected chairman of the Union's Supreme Executive Body.

The task of the new public organization is to help officer citizens of the Ukraine by legal methods in the discharge of their service on the territory of the Republic, and to help the legal and social protection of servicemen and their consolidation for the purpose of eventually creating by legal means the Ukraine's own armed forces.

The congress examined political aspects of the creation of the future army, questions of supplying it with materiel and equipment, questions of organizing in the near future, on the basis of the internal troops, a national guard, national military training institutions, a military uniform, and emblems of the Ukrainian armed forces.

The congress expressed its adherence to the nuclear-free future of the Ukrainian state. The question of the deployment of nuclear weapons, its participants consider, will be decided strictly in keeping with international agreements, and not to the disadvantage of the defense capacity of neighboring sovereign republics.

The delegates adopted the statement of officer citizens of the Ukraine, setting forth the concept of the building of national armed forces on the principles of defense sufficiency, professionalism, no party affiliation; and an appeal to the Supreme Soviet of the Ukrainian Soviet Socialist Republic with the proposal to examine at the next session a package of bills on the establishment of a national army, on the Republic's military-industrial complex, on the social and legal protection of servicemen, and a number of other documents.

Concept for Founding Army Developed

OW3007062091 Moscow INTERFAX in English
1900 GMT 29 Jul 91

[Transmitted via KYODO]

[Text] A congress of Soviet army officers who consider the Ukraine as their home country ended in Kiev yesterday. An officers' union of the Ukraine was founded. It is led by people's deputy of the USSR, Colonel Vilen Martirosian. Of the 320 delegates 50.3 percent were those on active service representing all military districts and fleets of the Soviet Union.

The concept of the Ukrainian Army, developed by the council of collegiums and the military problems collegium of the Rukh movement, provides for a multi-stage emergence of military units in mandatory compliance with the strategic interests of the Ukraine and the USSR.

At the first stage the activity of the armed forces will be carried out on the basis of agreements between the republics and the centre.

The Defence Ministry at the Ukrainian Government will be re-established. The Ukrainian parliament's defense and security commission is working on a package of laws on defence.

At the second stage there will appear the strategic defence forces subordinate to the allied command of the union of sovereign states and republican ground, air naval and anti-aircraft forces and a national guard corps. A quick reaction force will be formed too. The Ukrainian Army will not have nuclear arms.

The circles who took part in developing the concept of the Ukraine's future army said that the republican army may total 250,000.

The army will be professional. Questions connected with the emergence of a Ukrainian Army are going to be discussed at the second congress of the Ukraine's officers scheduled for January 1992.

Urgent Measures Needed in Coal Industry

LD2907220591 Moscow Central Television First Program Network in Russian 1800 GMT 29 Jul 91

[By G. Kondaurov; from the "Vremya" newscast]

[Text] The disintegration of the former system of material and technical supplies has brought crisis into the industry of the Ukraine—the coal industry. Our correspondent reports from Donetsk Oblast:

[Kondaurov] In July the extraction of coal at mines in the Ukraine has fallen by almost 2.5 million tonnes. The crisis that has gripped the industry is deepening.

Power engineering specialists are sounding the alarm. A number of electric power stations have no reserves of fuel, and even today, they say, they work hand to mouth. The shortages in the deliveries of coking coal which are growing every day and have amounted to more than 500,000 tonnes since the beginning of the month, caused failures in the metallurgical industry and a reduction in the production of metal.

Again, as during the days of miners' strikes in spring, many coke batteries are working in a slowed-down regime. There is no coke. This has forced metallurgical workers in the Ukraine to prepare a plan for shutting down 13 blast furnaces, and the Azovstal open hearth unit is already working at half its capacity today.

The reasons for the slump in the coal industry lie in its scandalous technical backwardness. Discord in the material and technical supplies is literally stopping the work of mines. They do not have pipes, cables for hoists, conveyor belts, and cables. The Union Ministry of the Coal Industry is no longer in charge of the industry, and the republican committee for coal has not yet taken over.

It is especially difficult to obtain lumber for reinforcing mine workings. The Kuybyshevskaya mine directorate has received only five percent of the planned deliveries, and no coal can be extracted without lumber.

Now miners are taking 65 days of vacation. Today the Donetskugol association is short of 5,000 workers, but the ministry has not even thought about replacing them. The number of attendances in a working shift has fallen sharply. Higher pay—there are mines where salaries reach 2,000 rubles—is no longer an incentive to work, as it is impossible to buy anything but the basic foodstuffs. Miners are raising the question about a third of their pay being provided in the form of goods through the workers' system of supplies.

In a word, urgent measures are needed to halt the slump in the coal industry, which is disastrous for the entire economy. [Video shows working mines, coke batteries, a mine yard full of broken machinery and scattered equipment, workers trying to disassemble whatever they can find for spare parts, poor quality lumber]

Odessa Condemns Romanian Declaration

LD2907213491 Moscow TASS in English 2035 GMT 29 Jul 91

[By Vladimir Novak]

[Text] Odessa July 29 TASS—Residents of the Odessa region's south were concerned and outraged with the declaration of the Romanian parliament "on the Ribbentrop-Molotov pact and its consequences for Romania".

The territorial claims as regards the Ukraine, including their residence area, made in the declaration, were discussed at a meeting of representatives of nine regions and cities of the Odessa region's south held late last week in Ismail.

Speaking at the meeting, representatives of working collectives and local residents unanimously noted that dramatic pages of history should serve as a lesson not as grounds for new encroachments on the liberty of Ukrainian people and kindling of national discord.

Residents of the Odessa region, including its southern area, made their choice during the recent all-Union referendum and the republican public opinion poll. They want to live in the renovated Union of Soviet Socialist Republics and in the sovereign Ukraine.

The meeting adopted an appeal to the Supreme Soviets of the USSR, the Ukraine and Moldova. The appeal condemned the Romanian parliament's declaration and expressed the sincere desire of local residents to live in peace, friendship and goodneighborly relations with their neighbors—the Romanian and Moldavian peoples.

Moldova

Zhirinovskiy on Place in 'Empire'

LD2907213591 Moscow TASS in English 2109 GMT
29 Jul 91

[Text] Kishinev July 29 TASS—Leader of the Liberal-Democratic Party, former candidate for Russian presidency Vladimir Zhirinovskiy on Monday met Russian-speaking residents of Tiraspol in Moldova's Dniester Region to discuss prospects for creating "Kishinev province within great Russia".

Last week, he held similar meetings in Rybnitsa, MOLD-OVA-PRES correspondents Anatoliy Golya and Aleksandr Tanas report.

Zhirinovskiy considers his trip as a continuation of his election campaign. He is convinced that Boris Yeltsin's presidential rule "will not last long" in Russia and that he will become the president "through elections in which Russians from all over the world will participate".

Zhirinovskiy has condemned those striving for independence and sovereignty and ignoring historic realities, and has called for transforming the Soviet Union into "a great Russian empire". He believes the sovereign Republic of Moldova should become part of this empire as Kishinev Province.

Payments to Union Budget To Be Cut

PM2907082991 Moscow ROSSIYSKAYA GAZETA
in Russian 25 Jul 91 p 2

[Unattributed report under the general heading: "Panorama of the Country"]

[Text] Kishinev—In order to eliminate its more than 1 billion ruble [R] budget deficit, the Moldova Government is proposing measures to increase production and profits by raising the profits tax. It is planned to cut payments to the Union budget by R700 million, as well as investment in capital construction. Premier Valeriy Muravskiy informed parliament about this Tuesday.

Prime Minister Muravskiy Against Union Treaty

OW3007044091 Moscow INTERFAX in English
0930 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The invariability of Moldova's stand on signing a Union treaty was proclaimed by the republic's prime minister Valeriy Muravskiy at a meeting with members of the Bendery city council. Such a treaty, he said, cannot be signed since the center wants to press its terms on other republics.

At the same time V. Muravskiy said that Moldova favours a broad development of economic and cultural ties and mutually beneficial cooperation with other republics regardless of how political events will develop.

Ministry Drafts Bill on Enterprises

LD2907185991 Moscow TASS International Service
in Russian 1200 GMT 29 Jul 91

[By Fedor Angeli]

[Text] Kishinev, 29 Jul (TASS)—The Ministry of National Economy of Moldova has finished drafting a bill "On Entrepreneurship and Enterprises". The document has been handed over for examination by the standing commissions of the republic's parliament.

The bill defines the subjects of entrepreneurial activity in Moldova and establishes the legal, organizational, and economic foundations for [word indistinct]. Legal order is proposed under which any citizen of the republic whose rights are not curtailed by the laws in force, as well as any citizen of another state or a stateless person can set up in business. The state and the local authorities can engage in business activity if manager-directors directly carry out the functions of the entrepreneur at the relevant state and municipal enterprises on the basis of contracts concluded with them.

The bill prevents those in charge of state bodies or experts employed therein from engaging in entrepreneurial activity if their remit includes carrying out any control functions over such activity.

It includes an extensive list of legal guarantees for businessmen and their obligations. In particular the state takes upon itself the obligations to create equal legal and economic conditions for businessmen to run their businesses and guarantees that their legitimate interests will be observed. The state creates conditions for free competition, insures various opportunities of access to material, technical, natural, labor, financial, and information resources, and prevents monopolization of the rights to use these resources.

Georgia**Republic Joins Nuclear Nonproliferation Treaty***AU2607153291 Tbilisi Radio Tbilisi Network
in Russian 1345 GMT 26 Jul 91*

[Text] Resolution of the Supreme Council of the Republic of Georgia concerning the Treaty on Nuclear Nonproliferation. The Supreme Council of the Republic of Georgia resolves as follows:

The Supreme Council of the Republic of Georgia and the Government of the Republic of Georgia hereby declare that they join the treaty on the nonproliferation of nuclear weapons adopted on 1 July 1968 and will be strictly guided in their activity by the regulations formulated in it.

[signed] Akakiy Asatiani, chairman of the Supreme Council of the Republic of Georgia.

Azerbaijan, Armenia Urged To Join*AU2607153591 Tbilisi Radio Tbilisi Network
in Russian 1345 GMT 26 July 91*

[Text] Appeal to the parliaments of the Azerbaijan Republic and the Republic of Armenia. On 25 July 1991, the Supreme Council of the Republic of Georgia ratified the treaty on the nonproliferation of nuclear weapons. We appeal to the parliaments of the Azerbaijan Republic and of the Republic of Armenia to consider the question of ratifying the aforementioned document. A positive resolution of this question will constitute a step toward a future declaration of the Transcaucasus region as a nuclear-free zone and will considerably contribute to strengthening peace and to stabilizing the situation in the Caucasus and in the entire region, as well as to achieving diplomatic recognition of our states by the entire world.

[signed] The Supreme Council of the Republic of Georgia.

Republic Minister of Culture Relieved*OW2907050491 Moscow INTERFAX in English
1230 GMT 26 Jul 91*

[Following item transmitted via KYODO]

[Text] According to our correspondent's report from Tbilisi, Nodar Tsuleiskiri who wrote the notorious article "Naked Sword" in which he described himself as Zviad Gamsakhurdia's slave has been relieved of his duties as Georgia's minister of culture by a presidential decree.

Gamsakhurdia on Treatment of Azerbaijan Georgians*AU2907132891 Tbilisi SVOBODNAYA GRUZYIA
in Russian 16 Jul 91 p 1*

[Letter from Georgian President Zviad Gamsakhurdia to Azerbaijani President Ayaz Mutalibov—date not given]

[Text] Esteemed Ayaz Niyazovich!

As we all know, Azerbaijani citizens of Georgian nationality live in compact areas in Belokany, Kakhi and Zakataly Rayons, and there are thousands of Azerbaijanis living in our country, too. The new level of relations between our peoples offers hope that, by joint efforts, the leaders of our two sovereign states will do their utmost to ensure the most favorable conditions possible for the cultural autonomy of Azerbaijanis living in Georgia and Georgians living in Azerbaijan.

I believe that the restoration of historical monuments, the opening of national schools, the founding of newspapers, broadcasting of radio and television programs in the ethnic languages, exchanges of films and artistic groups, the sending out of archeological excavation teams, and the study of folklore—all this will promote the strengthening of the historical bonds of brotherhood and cooperation between our peoples.

According to our information, in the village of Topakhi, Kakhi Rayon, houses have been destroyed, gardens cut down, and roads have been laid with the aim of breaking up the Georgians who live in a compact settlement there. There have also been attacks on local residents, and specialists—particularly specialists educated in Georgia—have been subjected to oppression. The local authorities frequently blockade the aforementioned rayons in order to isolate them from Georgia. Historical monuments in Kakhi, Kurmukhi, Alatemuri, Mushabashi, and Lekarti are in need of restoration, and the Kakhi First Georgian High School needs reconstruction. Local residents are asking for the Mose Dzhnashvili museum to be opened, and for a music school to be opened in the village of Kakhingilo. It would be desirable if no obstacles were put in the path of representatives of the Georgian Ministry of Higher Education and the Georgian Academy of Sciences in communicating freely with the Georgian population in the aforementioned rayons. In the town of Kakhi it would be worthwhile founding an independent Georgian newspaper, and setting aside one page in the Zakatalskiy Rayon newspaper for Georgian Muslims. Also unworthy of the local authorities is the oppression of churchmen. Residents of the village of Alatemuri are pointing to the ecological risks of the chemical combine. The inhabitants of Kakhingilo are asking for a hospital to be opened.

I think also that the Azerbaijan Interior Ministry should not cause obstacles to Georgians residing in your republic when it comes to registering and re-registering their nationality, nor to those people trying to exchange their apartments in Baku for apartments in Tbilisi.

By pledging to create the necessary conditions for the cultural and intellectual development of the national minorities living in our countries, we will to a considerable degree enhance the strengthening of our international prestige.

Yours sincerely,

President of the Republic of Georgia Zviad Gamsakhurdia

Georgia, Armenia Sign Cooperation Treaty

AU2807155091 Tbilisi Radio Tbilisi Network
in Georgian 0700 GMT 28 Jul 91

[Text] His Excellency Levon Ter-Petrosyan, chairman of the Supreme Soviet of the Republic of Armenia, arrived in Tbilisi yesterday on a business visit.

He had talks with Batoni [Georgian polite form of address] Zviad Gamsakhurdia, president of the Republic of Georgia. It was stated that this present meeting marks the beginning of a new historic stage in relations between the neighboring countries.

During discussion of various questions, it was stated that all problems affecting Transcaucasia should be resolved in a peaceful way, through mutual agreement, and without the interference of a third force.

Then, Zviad Gamsakhurdia, president of the Republic of Georgia, and Ter-Petrosyan, chairman of the Supreme Soviet of the Republic of Armenia, signed a treaty between the Republic of Armenia and the Republic of Georgia on the fundamental principles underlying relations between the states in which it is stated that: The Republic of Armenia and the Republic of Georgia, which are called the high contracting parties, are proceeding from the basis of the friendly ties that have existed for many centuries between the peoples of Armenia and Georgia; they recognize the rights of each side as being inviolable, in particular, each side's state independence; they intend to develop relations between the two sovereign states according to the norms of international law; they recognize the priority of universal values, human rights, and freedom; they are striving to contribute to the establishment of peace and stability in the region.

They have agreed that:

Article One: The high contracting parties are to recognize each other's state sovereignty and territorial integrity and the principle of noninterference in each other's internal affairs.

Article Two: The high contracting parties are to undertake to resolve all disagreements and contentious issues only through direct consultations and negotiations.

Article Three: The high contracting parties declare their intention to exchange diplomatic missions in accordance with international practice. The procedure for their exchange and their status will be established by a special agreement.

Article Four: The high contracting parties declare that they are to accord each other most-favored-status in commercial and economic relations.

Article Five: The high contracting parties are to develop and extend in every way possible contacts and cooperation in the spheres of science, culture, protection of health, ecology, and the protection of historic and cultural monuments.

Article Six: The high contracting parties view it as necessary to begin negotiations in the near future between the two states on the preparation and conclusion of a unilateral treaty.

Article Seven: This treaty has to be ratified, and it will come into force following the exchange of ratification instruments. The exchange of ratification instruments will take place in Yerevan.

Two copies of the treaty, one in Georgian and one in Armenian, are to be signed in Tbilisi on 27 July 1991. Both texts have equal force.

[Signed] Levon Ter-Petrosyan, chairman of the Supreme Soviet of the Republic of Armenia.

Zviad Gamsakhurdia, president of the Republic of Georgia.

Tbilisi, 27 July 1991

South Ossetia Official Says Situation 'Calm'

OW3007051491 Moscow INTERFAX in English
1900 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The first deputy chairman of the south Ossetian regional executive Rezo Khugayev has said in an interview with IF [INTERFAX] about the USSR President and Cabinet of Minister's attitude to the problem of South Ossetia that "political considerations are a brake on stabilization in the region and the elimination of the effects of a devastating earthquake."

Khugayev said that the situation in the region looked calm, however, it was fraught with outbreaks of violence. The militants on both sides seem to have calmed down for a while. Particular concern was caused by the extremely slow pace of repair work in the earthquake-affected area.

The potential of north Ossetia, which has accommodated 40 thousand refugees and as a matter been helping them build homes on its own is rather limited. At the same time, Khugayev said, the USSR Cabinet of Ministers has failed to adopt a comprehensive program for eliminating the effects of the earthquake to this day, although it's already three months since the first heavy earth tremor.

The earthquake in south Ossetia left 64 people dead and 200 others injured. The damage is estimated at 990 million rubles. The earthquake destroyed or damaged 12

thousand individual homes and 300 apartment buildings, 70 schools and child-care facilities, 23 health service establishments and 15 industrial plants and factories. Forty percent of South Ossetia's population (39 thousand 250 people) became homeless. Khugayev said that in the current situation the tens of thousands of people living in tents and improvised shelters would have to be evacuated when the cold season set in.

Armenia

Ter-Petrosyan May Sign Union Treaty

AU2907172291 Tbilisi Radio Tbilisi Network
in Russian 1430 GMT 29 Jul 91

[Report on news conference by Levon Ter-Petrosyan, chairman of the Armenian Supreme Soviet, with unidentified reporters on 27 July; place not given]

[Text] At the news conference, which was held last Saturday, Levon Ter-Petrosyan was asked several questions, including the following:

[Begin recording] [Question] Do your recent trips to Moscow and Novo-Ogarevo signify Armenia's intention to sign the Union treaty, as it follows from the interview with President Gorbachev, although we have all heard you deny this? What should we believe? What do you say about the Union treaty? Will Armenia sign it or not?

[Ter-Petrosyan] A solid foundation, a firm foundation, has been laid for fruitful and mutually beneficial cooperation in the future between two free states. This is the first thing. Second, the purpose of my visit to the Novo-Ogarevo meeting... you know my ways.... I never refused to take part in sessions of the Federation Union and I never risked artificial confrontation either with the center or with other republics. We know our own business. We have firmly chosen the road toward independence. We have proclaimed the process of achieving independence and we will firmly follow [words indistinct]. However, as I have already said, we are against artificial confrontation with any of our partners. We have always tried to maintain normal good neighbor relations both with the center and with all other republics. That is the first thing.

Second, as you may know, the USSR Supreme Soviet recently called upon those (?six) republics, which expressed their willingness [words indistinct], to preserve the traditions of cooperation with the center and with other republics. We, naturally, understand that independence is not an instantaneous or one-minute act, but a process. It is assumed that, as Armenia has chosen the road toward achieving independence within the framework of Soviet laws and the Soviet Constitution, and this law presupposes a five-year transitional period, it is necessary now to find some structures in order to make the most of the transitional period. The transitional period is precisely that time which will enable us

to finally determine our relations both with the center and with other republics and create real preconditions for independence.

We do not even rule out certain forms of Armenian, so to speak, associated membership in the future Union. We do not even rule out such a variant as signing, let us say, the Union treaty for a specified period of time, a period corresponding to the transitional period. These variants are still being discussed, and I cannot say that these are those variants which the center will find acceptable. However, the center began to carefully discuss such variants too. This is literally all I had to say... and, third, this will be my answer to the last question, concerning the way in which Gorbachev assessed the [word indistinct]. Gorbachev assessed it in different ways. I read IZVESTIYA, and IZVESTIYA reflected our position at this meeting very accurately. I do not know whether you have seen the 25 July issue. I stated there that Armenia's attitude toward a future Union will become clear only after the referendum held in Armenia on 21 September. [end recording]

Levon Ter-Petrosyan was also asked this question:

[Begin recording] [Question] In the case if, let us assume, Armenia and Georgia do not sign the Union treaty and remain outside the Soviet Union, whereas our Azerbaijan neighbors do sign it, how do you foresee relations among between the three Transcaucasian republics?

[Ter-Petrosyan] This is, of course, a difficult question. It is impossible to [words indistinct] at once. However, since both Georgia and Armenia, as they are striving for independence, are not going to sever all ties with the Union, if the Union is preserved, or with other republics, in my opinion, in this context, various relations and cooperation with Azerbaijan are also possible. I do not rule this out. That is the first thing. Second, I do not rule out that the processes toward independence that are under way in Armenia and Georgia will, sooner or later, begin in Azerbaijan, even under the present regime there. These processes are irreversible. All republics will, sooner or later, become involved in the process of achieving independence. [end recording]

'Mobilization' Denied as 'Incorrect'

LD2907185791 Moscow All-Union Radio Mayak
Network in Russian 1800 GMT 29 Jul 91

[Text] The next TASS item is connected with the statement by the Armenian Defense Committee broadcast on republican television. In particular it contained an appeal to Armenian youths, who are ready to defend their native land, and possess the necessary weapons, to report by 1800 on 29 July to headquarters under rayon soviets to register and to receive their tasks. The ARMENPRES agency has circulated the following statement regarding the Committee's appeal.

This report, citing Armenian television, on an allegedly declared mobilization, was transmitted by some of the

country's mass media. ARMENPRES is authorized to state that no mobilization is under way in the Republic of Armenia. Making decisions on such issues is the brief of the Armenian Supreme Soviet, and not the republican Defense Committee. Due to an incorrect interpretation of the text, the meaning of the Defense Committee's appeal was distorted. In actual fact, it concerned the registration of persons who are ready if needed to enlist in self-defense units on a voluntary basis.

Republic Supreme Soviet Session Reported

NC3007110191 Yerevan Radio Yerevan Network
in Armenian 0600 GMT 30 Jul 91

[From the review of HAYASTANI HANRAPETUTYUN]

[Text] Front-page information indicates that the Armenian Republic's parliament has a heavy work load this week. The deputies have to make amendments and addenda to the bills on [words indistinct], discuss point by point the bills on the presidential election and post of president of the republic, and take up the union treaty. It was also suggested that the parliament should discuss other bills, including one about the press.

At its 29 July session, the parliament discussed amendments and addenda to the republic's land code at the request of the Armenian Council of Ministers. Grant Bagratyan, first deputy chairman of the Council of Minister, noted the required amendments and addenda to the land code, and replied to deputies' questions. [words indistinct] A debate developed on a bill granting the refugees settled in Armenia certain aspects of land privatization [words indistinct].

At the end of the evening session, the deputies decided to declare a recess from 1 August to 26 August if, that is, by 1 August the deputies pass the bills on the presidential election and post of president, and discuss the Union treaty. The Presidium of the Supreme Soviet will have to continue (?working) during the recess.

The deputies were then informed that an independent democratic group, totaling some 30 deputies, has been formed within the parliament.

The session will continue its deliberations today.

Azerbaijan, Armenia Meet on Passport Checks

OW3007061891 Moscow INTERFAX in English
1900 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The Azerbaijani President's aide Osman Mirzoyev has told IF [INTERFAX] that during last Tuesday's conference in Novo-Ogarevo the republican President Ayaz Muttalibov met with the Armenian Supreme Soviet chairman Levon Ter-Petrosyan to discuss an end to passport checks in Nagorno-Karabakh. The meeting was requested by Ter-Petrosyan.

According to Mirzoyev, Azerbaijan said that the checks would end only if Armenia ensured the withdrawal of all Armenian militants from the territory of Azerbaijan and also cancelled all resolutions on Nagorno-Karabakh its parliament had adopted.

Mirzoyev dismissed reports by some mass media to the effect that President Ayaz Muttalibov had been instructed by the Centre to suspend passport checks.

About the possibility of Georgia's mediation in Armenian Azerbaijani talks Mirzoyev said that the talks would not begin until one side continued to lay territorial claim against the other. "The participation of a third party is unnecessary," he said.

Azerbaijan

Radical Establishes Independence Party

PM2907092991 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 25 Jul 91 p 2

[TURAN report: "Front on the Front Line"]

[Text] Etibar Mamedov, a former member of the Azerbaijani People's Front, has announced the formation of a National Independence Party. Mamedov sees the party's main aim as being to attain national independence for the Azerbaijani people and the restoration of Azerbaijan's statehood. Since the People's Front was founded Mamedov has been a supporter of that organization's radical orientation. His arrest in January 1990 at Azerbaijan's permanent mission in Moscow and his subsequent "sit-in" at Lefortovo Jail made him even more uncompromising about ideological principles. Presumably Mamedov's party will very soon rise to the political heights in Azerbaijan. The fact is that 54 percent of the delegates to the People's Front July congress polled by the agency advocated the national-liberation path of struggle.

Kazakhstan

Economy Stabilizing; Industrial Production Up

LD3007121191 Moscow All-Union Radio Mayak
Network in Russian 0700 GMT 30 Jul 91

[Text] The Government of Kazakhstan has stated in the context of stabilizing the economy that for the first six months the decline has been halted and last year's growth rates in the volume of production has been exceeded in industry. This sector is now making twice as much profit and this index is ahead of the republic's national economy by one-third.

Kyrgyzstan

Efforts To Attract Foreign Investment Discussed

PM2907154591 Moscow PRAVDA in Russian
22 Jul 91 Second Edition p2

[Correspondent Yuriy Razgulyayev column: "What Price Freedom Nowadays?"]

[Text] Bishkek—It has become a kind of ritual. At every session of the Kyrgyz Supreme Soviet, a deputy from the Kazarman Mining Settlement gets up and demands in a loud voice that the republic keep all the gold it mines....

In response, leaders of the Cabinet of Ministers usually explain that, first, our republic does not get real gold, so to speak, i.e. in metal form, so there is simply nothing to keep at present. Second, the republic's government has managed to get the USSR department to pay a substantial percentage of the extracted metal's value in return for use of the region's natural resources. It now pays much more than it did a couple of years ago, for example. Finally, it is simply beyond our small republic to develop such a vast, complex, and expensive industry alone.

So the debate rages on. It even flares up more fiercely whenever the discussion in Parliament gets on to sovereignty and economic independence for the republic:

"Let us keep everything for ourselves and become rich...."

This subject became particularly acute at the last Supreme Soviet session. Kyrgyz President A. Akayev submitted a whole package of laws which greatly radicalize and accelerate the pace of economic reform. Laws on privatization and business, foreign investment, joint-stock companies, and a number of others are fundamentally new.

The first steps have been taken in this direction. The Republic of Korea is giving \$200 million to develop production of the very latest electronic household appliances in Kyrgyzstan. Germany has put up substantial credit to build a large cigarette factory.

Some deputies were overjoyed by these figures, but others wondered how we are going to repay all this credit. Will we not be saddling our children with debts? One deputy, a scientist from Osh Oblast, said frankly:

"Why do we need all this? It is better to be poor and free than rich and dependent on others."

Judging by the thunderous applause from the audience, he is certainly not alone in thinking this.

Well, let us ponder this theory. It is certainly true that just two years ago the republic did not have any foreign credit or hard currency debts. It apparently had complete freedom and independence. So why are those very same deputies now groaning about the insultingly low price of wool and tobacco and the prohibitively high price of clothing, furniture, and machinery? It would be better to process extracted raw materials here in the republic and get extra profit for the end product. Unfortunately, however, "independent poverty" has not allowed the republic to develop its processing industry.

Although it has never abused credit and has no foreign investment to speak of, the republic has suddenly found that it owes its people more than 3 billion rubles [R]. This enormous hole in the budget is the result of Kyrgyzstan's one-sided, raw materials-oriented economy and the typically provincial lack of independence in the former leadership's policies.

So was the new team supposed to sit with its budget in tatters and bombard the center with telegrams calling for help? No, President A. Akayev and Prime Minister N. Isakov decided to take action. Meetings between delegations are shown on republic television almost every day now. It goes without saying that the businessmen from Germany, Turkey, Korea, and China hope to get considerable profits for themselves. But the plants they build will remain in Kyrgyzstan. The first Gold Star color television sets have already come off the production lines and the people of Bishkek are happily munching tasty German crackers.

But what about freedom? How is all this going to be paid for? The ways of doing this are very varied and unexpected, just as a real economy is unpredictable. The electronics industry is going to sell some of its Gold Star television sets for hard currency, for example. The Ministry of Agriculture has drawn up a long list of exotic natural resources for its investors. Other departments will be sharing raw materials. In short, there is no end to enterprising people's options.

"The main thing is that we are going to have to do a lot of hard work," President A. Akayev summed up. "Because only a breakthrough to the world market and the most advanced technology can bring us freedom. Real freedom that is totally compatible with the wealth and dignity of the Soviet people."

Tajikistan

Government To Sell Gasoline at Market Prices

LD3007113391 Moscow All-Union Radio Mayak
Network in Russian 0430 GMT 30 Jul 91

[Text] The Tajik Cabinet of Ministers has allowed the republican State Committee for Petroleum Products to purchase and sell gasoline to citizens at commercial prices. They should not exceed 60-70 kopecks per liter.

Uzbekistan

Presidium Accuses Daily of 'Misinformation'

OW3007040291 Moscow INTERFAX in English
1900 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The Presidium of the Supreme Soviet of Uzbekistan met in emergency session Monday night to discuss the publication by "KOMSOMOLSKAYA PRAVDA" on July 27 of a story of what was reported to have been a fire attack against people's deputy Erkin Vakhidov. His car was said to have been ambushed. The youth daily's correspondent K. Bobojonov claimed that there had been an assassination attempt against Vakhidov.

The Presidium heard the results of a check by experts confirming the official version of the origin of the damage done to the car and saying that there was no evidence pointing to an assassination attempt.

The Presidium of Uzbekistan's Supreme Soviet has described the report in "KOMSOMOLSKAYA PRAVDA" as "an act of misinformation of the readership about positive processes in the republic."

Speakers at the session pointed to what they described as the "indecent role" of some correspondents of some central dailies, who, the Presidium claimed, published "distorted and biased information about Uzbekistan".

The Supreme Soviet Presidium asked the republican Justice Ministry to look into whether such actions by correspondents agreed with the laws of Uzbekistan on the mass media and to hand the materials over to investigators, if it found they didn't.

'Birlik' Opposition Leader Convicted, Sentenced

OW3007060591 Moscow INTERFAX in English
0930 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] In Kashkadarya the regional court sentenced a member of Uzbekistan's Parliament, loaders' team leader of the Yakkabag consumers' society Shovrik Razimuradov, to 4 years in prison on charges of "inciting unauthorized meetings and street processions, taking an active part in them, engaging in hooliganism and threatening an official". S. Razimuradov is a leading member of the opposition movement "Birlik". He was accused of involvement in inciting actions of protest against price increases which took place in Yakkabag last spring.

According to Chori Mukimov, deputy chairman of the regional court, a group of the defendant's fellow-townsmen tried to exert pressure on the judges. At times the situation almost went out of control, and law-enforcers had to interfere. The trial was the most complicated one in the history of the regional court, said C. Mukimov.

S. Razimuradov has the right to appeal to a higher court before the verdict goes into effect.